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HOUSE OF COMMONS

Wednesday, May 5, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

NATIONAL DEFENCE

PROPOSAL TO STATION ELEMENTS OF SEARCH AND RESCUE GROUP IN NEWFOUNDLAND—MOTION UNDER S.O. 43

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I wish to move a motion under Standing Order 43 on a matter of urgent and pressing necessity. A 20-hour time lag before the search and rescue centre in Halifax reacted to the loss of a Canadian fisherman off western Newfoundland emphasizes again the lack of co-ordination between responsible elements of and weakness in Canada's effort to provide a rescue capability. Unfortunately, Mr. Speaker, the Canadian citizen lost on Monday has still not been found. I therefore move, seconded by the hon. member for St. John's East (Mr. McGrath):

That this House orders that elements of Canada's search and rescue group be deployed and stationed in the province of Newfoundland immediately, pending the report of the task force on search and rescue policy.

Mr. Speaker: Order, please. Such a motion pursuant to Standing Order 43 can only be presented to the House when there is unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

SUPPLEMENTARY RETIREMENT BENEFITS ACT

SUGGESTED AMENDMENT TO PERMIT COST OF LIVING INCREASES IN PENSIONS OF RETIRED MEMBERS OF ARMED FORCES AND MOUNTED POLICE—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave under the provisions of Standing Order 43 to present a motion concerning a matter of urgent and pressing necessity. I therefore move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That this House urges the President of the Treasury Board to introduce at an early date the necessary amendments to the Supplementary Retirement Benefits Act, so that retired Canadian Armed Forces and Royal Canadian Mounted Police personnel will have their pensions escalated annually in accordance with the rise in the cost of living, commencing in the year following the year of retirement, regardless of age, thus ending the discrimination that applies to many of such personnel.

Mr. Speaker: Order, please. Under Standing Order 43 the motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

CONSUMER AFFAIRS

REQUEST FOR STUDY ON AUTOMOBILE INSURANCE—MOTION UNDER S.O. 43

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous consent of the House to introduce an urgent motion of pressing necessity.

Since the average cost of premiums for automobile insurance in Canada increased by 25 to 30 per cent last year and since they will go up by 45 per cent this year for an ordinary car and 100 per cent for a commercial vehicle, I move, seconded by the hon. member for Témiscamingue (Mr. Caouette):

That this House immediately discuss the entire record of automobile and other insurance and shed light on the real operation costs of that business to protect Canadians who are already tackling other problems as a result of inflation.

Mr. Speaker: The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

[*English*]

HEALTH

PROPOSED COMMITTEE STUDY OF MEANS OF MAKING CANADA SELF-SUFFICIENT IN THE PRODUCTION OF VACCINES—MOTION UNDER S.O. 43

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I rise under the provisions of Standing Order 43 to present a motion of urgent and pressing necessity. In view of the fact that by its failure to create a national capability to produce enough A-swine influenza vaccine to meet our own needs the government has endangered the health of Canadians; and in view of the fact that the executive

vice-president of Connaught Laboratories, our most important supplier of vaccines, has stated that Canada could very quickly become self-sufficient in large-scale vaccine production, and that "it would be a very small price to pay for not having to rely on outside sources in other countries who can only help us when their own needs are fulfilled, especially in a potential epidemic situation like the one we may be experiencing this year," I move, seconded by the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn):

● (1410)

That the question of the means by which Canada might most speedily be made self-sufficient in the production of vaccines be referred to the Standing Committee on Health, Welfare and Social Affairs for study and report.

Mr. Speaker: Such a motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

ENERGY

PROPOSED COMMISSION TO MAKE INVENTORY OF CANADIAN RESOURCES—MOTION UNDER S.O. 43

Mr. Eudore Allard (Rimouski): Mr. Speaker, pursuant to Standing Order 43, I request the unanimous consent of the House to discuss an urgent and important matter.

As the federal government does not have the means to evaluate scientifically Canadian oil and gas reserves, and as it has become urgent to assess our energy resources because we use a considerable amount of oil, which resource is not renewable, I move, seconded by the hon. member for Abitibi (Mr. Laprise):

That this House order the government to take all necessary steps as soon as possible to create, with the approval and participation of the provinces, a commission on Canadian resources which would be responsible for estimating our energy needs for the next 25 years as well as the availability of adequate reserves to meet the needs of all Canadians.

Mr. Speaker: The House has heard the motion of the hon. member. Under Standing Order 43, it requires unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: As there is not unanimous consent, the motion cannot be put.

* * *

CRIMINAL CODE

REQUEST FOR REFERENDUM ON CAPITAL PUNISHMENT—MOTION UNDER S.O. 43

Mr. Armand Caouette (Villeneuve): Mr. Speaker, pursuant to Standing Order 43, I ask for unanimous consent of the House to discuss a matter of urgent and pressing necessity.

Considering that Canadians are completely opposed to Bill C-84 aimed at abolishing the death penalty, that the government seems determined to ignore the opinion of the majority of Canadians on this subject and that democracy cannot survive nor prosper unless the views of the majority of citizens are taken into account, I move, seconded by the hon. member for Témiscamingue (Mr. Caouette):

That this House examine immediately the possibility of a national referendum on the question of capital punishment and this before the final vote on Bill C-84 is called, to enable hon. members to vote according to the will clearly expressed by all Canadians.

Mr. Speaker: The House has heard the terms of the hon. member's motion. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; therefore, the motion cannot be put.

ORAL QUESTION PERIOD

[*English*]

NATIONAL SECURITY

ALLEGED INSTRUCTIONS ISSUED BY PRIME MINISTER TO SECURITY SERVICE—POSSIBLE CONTRADICTION OF GOVERNMENT POLICY

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the Solicitor General. General M. R. Dare, the Director General of the Royal Canadian Mounted Police Security Service, indicated in a letter to Mr. Robin Bourne, Chairman of the Security Advisory Committee of his ministry, that the RCMP received instructions from the Prime Minister in effect restricting the inquiries of the secret service with regard to certain of its investigations in mid-1975. Can the minister inform the House whether he is aware of these instructions issued by the Prime Minister to the RCMP with respect to their investigation, and whether he had any input into the decision to issue such instructions?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, since the hon. member mentions my name, I think I might be permitted to reply. I prefer to begin by saying that I did not recognize the existence of this letter from our top security person to our second top security person. I am somewhat distressed that such a letter exists and is in the hands of the public. I, personally, only read this letter for the first time five minutes ago when I was in the House. I can state unequivocally that there are at least two inaccuracies in the letter. I understand that it is being referred to a cabinet committee in order to see if the instructions therein are exact. Such reference has not taken place.

Therefore, it is inexact to say that anything contained in this letter is government policy.

Mr. Nielsen: Since the Solicitor General choses not to answer my question—

Mr. Trudeau: He can answer, too.

Mr. Nielsen: —as to whether or not he was aware of these instructions which the letter sets forth, clearly indicating personal interference of the Prime Minister with the investigation of the RCMP, let me ask him this. On November 27, 1975 in response to a question by the hon. member for Halifax as reported on page 9492 of *Hansard* for that date, the Prime Minister stated:

> . . . when the police or the Solicitor General informed me that they were going to carry out an investigation of some well known member of the Canadian public, whether Liberal, Tory, NDP or somebody outside, I always told them, "Look, do your duty; I do not want to interfere in any way."

The Prime Minister went on to say, as reported on page 9501:

> . . . there are no orders, no theory and no practice under which the police must ask my permission to talk to any minister, any member of the House of Commons or any member of the Canadian public.

In the light of that statement, taken together with the letter which the Prime Minister says he has read, I ask the right hon. gentleman whether he does not consider the issuance of guidelines restricting RCMP inquiries into any segment of the Canadian public to be in direct contradiction to government policy as stated by him on November 27, 1975.

Mr. Trudeau: The short answer, Mr. Speaker, is no. The longer one is that such guidelines were not issued and do not exist. That is why I say there are some inaccuracies in this letter. The statement I made, and which the hon. member quotes—I have not refreshed my mind with respect to it and it is obviously *ad lib*—still stands as I heard it now. This does not mean that the police do not operate under ministers and under a government responsible to parliament; if they ask us for instructions in the pursuance of their duties it does not mean we cannot examine the matter. This has been the subject of study by a royal commission set up some years ago followed by indications from this government as to the manner in which it wanted the security force to exist and operate. Unlike the opposition, we have confidence in the RCMP and we do not rely on gumshoes to do the work which we believe the police can do.

Some hon. Members: Hear, hear!

REASON PRIME MINISTER ISSUED INSTRUCTIONS TO SECURITY SERVICE

Mr. Erik Nielsen (Yukon): I might observe that in the light of the Prime Minister's reply some doubt arises as to whether or not General Dare should continue in his present post, having regard to what he says in this letter. But may I put this question to the Prime Minister: since it is the primary responsibility of the Solicitor General to oversee the function of the Royal Canadian Mounted Police, can the right hon. gentleman explain why he took it upon himself to issue the directives that General Dare says were issued rather than direct the matter to the attention of the Solicitor General who has to take responsibility for the RCMP?

Right Hon. P. E. Trudeau (Prime Minister): The answer to that is quite simple. I hope the hon. member will not, when I give it, use, as he did, the words, "interference with the work of the RCMP". There were no guidelines issued by me or any interference by me. There is a cabinet committee on security and intelligence which oversees the operation of government agents in the area of security and intelligence. Certain conclusions were reached which were communicated to the police. They were not communicated by me personally or under my name. They were the object of a cabinet decision. If the letter says and implies the contrary, it is just an indication of mistakes in the letter. This bears out what I was saying earlier—that the letter contains several errors.

* * *

[*Translation*]

NATIONAL SECURITY

INQUIRY WHETHER PARTI QUÉBÉCOIS MEMBERS EXEMPTED FROM INVESTIGATION BEFORE BEING HIRED

Mr. Roch La Salle (Joliette): Mr. Speaker, my question also concerns the right hon. Prime Minister.

Mr. Dare states in his letter that, because of discussions held concerning investigation criteria for employees who are to join the civil service, normally an investigation should be done for those individuals. Mr. Dare says that in the case of a member of the Parti québécois he would have been asked by the Prime Minister not to carry out an investigation, except of course, if this individual had been involved in a violent incident. Is Mr. Dare telling the truth or not? That is the question I am asking the Prime Minister.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, may I bring the attention of the hon. member to the fact that General Dare himself comes to this conclusion in his letter. Apparently the text reads as follows:

> Consequently, I believe that . . . consequently the Security Service . . .

That is his own conclusion from a directive issued by the cabinet, which, in my opinion, does not say that at all. And this is why the letter has been referred to the committee on security and intelligence to establish whether General Dare was drawing valid conclusions. However, I repeat that, in my opinion, his conclusions are not valid; that is why the matter was referred to a cabinet committee.

INQUIRY WHETHER INVESTIGATION MADE ON ALL MEMBERS

Mr. Roch La Salle (Joliette): A last supplementary question, Mr. Speaker.

For greater clarification, according to the Prime Minister's reply, I understand that if it sees fit the RCMP will conduct an investigation about any person belonging to the Parti québécois, the Liberal Party, the Tory Party or any other party.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I would add something else. When the government considers the appointment of anyone to a civil service post that involves security, or even when an appointment is made by order in council to a post involving security, we always ask the RCMP to provide us with a file on that person and advise us on subjects they feel we should be aware of. This applies, I repeat, to members of the Liberal Party, Progressive Conservative Party, Parti québécois, Social Credit Party and to those who do not militate in any political party.

* * *

[*English*]

INDUSTRY

ALLEGED OBJECTION OF UNITED STATES TO CANADIAN SUBSIDIARY OF PRATT AND WHITNEY ENTERING INTO CONTRACT WITH ROLLS-ROYCE—GOVERNMENT ACTION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I resent the fact that the Prime Minister left out the NDP in his list. It simply means that of course we are "super safe".

Some hon. Members: Oh, oh!

Mr. Broadbent: I should like to direct my question to the Minister of Industry, Trade and Commerce. The minister said yesterday that nothing has happened in the Pratt and Whitney of Canada case which would "inhibit development in Canada". Since Pratt and Whitney of Canada stopped their development work following instructions from their parent firm after the U.S. department of justice opinion on the matter, having done so on the clear legal understanding that the parent firm in the United States, following this opinion, would have been subject to legal action had the work in Canada not stopped, would the minister now please explain just what he meant yesterday?

● (1420)

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): I will to a degree, Mr. Speaker, but as I pointed out yesterday I am waiting for additional information from the United States and our sources there as to just what is the legal position. The point that I was making was that the informal opinion was not in itself something that would necessarily inhibit the company from a legal point of view. I think the hon. member is indeed correct that, as a result of the informal opinion having been given, a stop has been put on the work, so in that sense his position is thoroughly consistent. The point that I was making was that it was not a legal decision in the United States that had caused the situation but company reaction to what I understand was an informal opinion. Whether that stop is of a permanent nature is what I am seeking to find out.

I mentioned to the hon. member yesterday that the information that I have, which has not been confirmed by official sources, is that it is now likely that there will be an informal inquiry made in the United States to determine what will be the reaction of the United States government. If and when that occurs, of course, we will decide what action by the government of Canada or by my department is most suitable in the circumstances.

Mr. Broadbent: A supplementary question, Mr. Speaker. I am not going to ask the minister to repeat that answer, but the gist of what he has said is that the action of the company located in Canada has resulted in this development work, which would have provided up to 1,000 jobs, being in fact stopped. Therefore I would ask the minister this question. Is it not the case that the work was stopped in Canada precisely because, in the legal view of the parent firm in the United States, had the work been proceeded with they would have been subject to legal action in the United States? If it is the case, does this not clearly represent interference in Canada by an outside country and corporation?

Mr. Jamieson: Mr. Speaker, I certainly will not ask the hon. member to repeat the question.

Some hon. Members: Oh, oh!

Mr. Jamieson: At the risk of being evasive, which I assure the hon. member I do not want to be—

Some hon. Members: Oh, oh!

An hon. Member: Come on, Don.

Mr. Jamieson: I think hon. members will understand that what is involved here is a highly technical legal question. I should like very much, in terms of giving him a detailed answer, to get something in writing, which I have not had up to the moment. I have tried to answer to the point that I can on the basis of what is essentially hearsay, in the sense that people have been giving me various reports of what has happened. I have not seen anything in writing. As to whether or not this kind of action, if in fact the framework the hon. member has outlined is correct, is of concern, let me say it is of great concern. I repeat, once I have all the facts I will be looking at them in terms of further action that can be taken regarding what appears to be at the moment something very damaging to the Canadian economy and Canadian industry.

* * *

COMBINES

DATE OF REQUEST THAT DIRECTOR INVESTIGATE ALLEGED INTERFERENCE BY UNITED STATES WITH CANADIAN SUBSIDIARY OF PRATT AND WHITNEY

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I would add, and a violation of Canadian laws now in existence. I should like to direct my final supplementary question to the Minister of Consumer and Corporate Affairs. Since Section 31.6 of the Combines Investigation Act stipulates that interference by an outside country occurs if a company in Canada makes a decision which is the result of an "instruction" or "intimation of policy" from another country or outside person, I should like to ask when the head of the Combines Investigation Branch had this particular case brought to his attention, which clearly involves a contravention, and when can we expect

action from the government before these jobs are permanently lost?

Hon. Bryce Mackasey (Minister of Consumer and Corporate Affairs): Mr. Speaker, I brought the matter to the attention of the director for investigation the moment it was brought to my attention, which was, frankly, yesterday morning and not before. The director has the case in hand. He fills, as you know, a quasi judicial function. His first job is to make certain that our law is as the hon. member presumes it to be and as I presume it to be. He is seeking information from the United States. If he finds that the Department of Justice of the United States has interfered to the degree that it could cost jobs to Canadian subsidiaries, then I suggest it is about time for this government to do something to prevent any such further interference with the domestic scene, because we need all the jobs we can get in this country for Canadian workers. We do not want that type of inference by a foreign country, particularly if it is in clear violation of our laws. However, we want to make sure what are the facts.

* * *

[*Translation*]

FINANCE

PROPOSAL BY ONTARIO TO ADOPT TWO-PRICE SYSTEM FOR OIL—GOVERNMENT POSITION

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to address my question to the Minister of Finance.

He announced a readjustment of oil prices within a few months so as to keep them in line with world market prices. Now, quite recently, yesterday or the day before, the premier of Ontario suggested a two-price system, for oil namely one which would prevail on the home market since we are entitled to pay below the international rate, being ourselves oil producers, and the other on the international market.

Is the Minister of Finance aware of this solution? Did he contact the Ontario premier? Is he in a position to advise us whether or not the government is prepared to consider this dual pricing to safeguard and protect the interests of the Canadian consumer?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I am aware of this suggestion but it is my colleague, the Minister of Energy, Mines and Resources who held talks with his Ontario counterpart. Perhaps the hon. member may wish to put his question to him.

* * *

● (1430)

ENERGY

PROPOSALS BY ONTARIO TO ADOPT TWO-PRICE SYSTEM FOR OIL—GOVERNMENT POSITION

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I would like to direct a supplementary question to the Minister of Energy, Mines and Resources.

This is the same question. I would like to know whether there have been communications between his department and the government of Ontario about the adoption of a two price system for oil, that is a Canadian price for Canadians and an international price, with a view to protecting Canadian consumers and allowing them to pay less than the international price?

[*English*]

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, as the hon. member knows I am sure, of course, we already have a two-price system. We have one price for Canadian consumers, which protects them against the international price, and we are selling our oil at international prices. The proposal that the Ontario government has put forward is a very complicated system which would deal with the various elements in a very complicated way and would not provide any additional funds for the exploration and development of Canadian resources which in my view are desperately needed.

[*Translation*]

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

Is the minister in a position to give details? I understand he has just told us there now exists a two-price system, one price for eastern Canada and another for western Canada, as we have a two-price system in the north of the province of Ontario. In Rouyn we pay for gasoline about 14 cents a gallon more than in Kirkland Lake, and these two places are only 50 miles apart. That is a two-price system. But this is the point I want to make . . .

An hon. Member: It is the difference between Whigs and Tories!

Mr. Caouette (Témiscamingue): If you do not believe me, come and you will see that it is how things are.

Mr. Speaker, I want to know whether Canadian consumers can draw any benefits from the development of their own natural resources. That is where we would like to see a two-price system, in which there would be one price for Canadian consumers and another, an international one, for the other countries, in order to make transactions with other countries and protect Canadian consumers. Is the minister in a position to say whether steps are being taken to achieve that?

[*English*]

Mr. Gillespie: Mr. Speaker, the government has taken steps to protect the consumer ever since the oil price increase in 1973.

Some hon. Members: Oh, oh!

Mr. Gillespie: For those who would laugh, just let me mention that the bill, in terms of the subsidy for the Atlantic provinces alone since the start, will be by the middle of this year very close to $1 billion. The hon. member probably has not made the important distinction between retail prices which are governed by the market arrangements within the provinces and which are not under the regulation of the federal government. The federal government has provided to Canadians one price. It is $8 per barrel at the wellhead which is roughly $4.50 below the

international price. If the Ontario government has any plan to impose one retail price for gasoline in the province of Ontario, that particular proposal has not been raised with me.

* * *

NATIONAL SECURITY

REQUEST FOR TABLING OF GUIDELINES ISSUED TO SECURITY AGENCY BY PRIME MINISTER

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I should like to direct a question to the Solicitor General. Will the Solicitor General table a copy of the guidelines which were issued to the RCMP by the Prime Minister restricting the security services inquiries and will the Solicitor General table a copy of the Role Tasks and Methods of the RCMP security service as the Prime Minister specifically referred in an interview with General Dare to sections (a) to (f) in that document.

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I just learned about this some minutes before the question period as well, and I am not quite sure I know what they are talking about. I intend to look into it and get as much information as possible.

Mr. Dick: Mr. Speaker, is the Solicitor General, who is responsible for the RCMP, indicating that he is not aware of any guidelines which were issued by the Prime Minister or by a cabinet committee which controls the activities of the RCMP?

Mr. Allmand: Mr. Speaker, I am aware of the different directives from time to time. As a matter of fact, the security service is guided by provisions of the Privacy Act in respect of the use of electronic surveillance. There are other directives as well which are put forward from time to time. However, in answer to the direct question, I am not sure what the hon. member is talking about. I have not read the article which is the basis for this and I intend to get all the information before answering the question.

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IMMIGRATION

IMPLEMENTATION OF RECOMMENDATIONS OF DUBÉ INQUIRY—GOVERNMENT POSITION

Hon. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to ask the Minister of Manpower and Immigration whether he has taken any steps to implement the recommendations of the Dubé immigration practices inquiry, in particular as it relates to the need to establish regulations governing immigration counsellors and a tariff of fees for their services.

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I gave a detailed answer to this question before the standing committee when my estimates were being discussed about two or three days ago. I would need more time than is permitted to give a detailed answer now, but the short answer is that almost every recommendation of the Dubé Committee has been implemented or is being implemented now. With regard to the specific reference to the very important and significant question of questionable practices by so-called immigration counsellors, we are looking very seriously at this in terms of the development of a new immigration policy and new legislation which we hope to place before the House this fall.

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NATIONAL SECURITY

POSSIBLE MISAPPREHENSION OF GENERAL DARE ABOUT GUIDELINES FROM PRIME MINISTER—NUMBER OF MEETINGS WITH GENERAL DARE

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I should like to ask the Prime Minister a question relating to the answers he gave to questions of my colleague the hon. member for Yukon. I should like to ask the right hon. gentleman if General Dare is under some misapprehension with regard to the Prime Minister issuing guidelines to restrict RCMP investigations. Will the Prime Minister report now or in due course how this occurred and also state how often he and General Dare meet in any given period for discussion of security matters and where the Solicitor General fits in, if he does?

Right Hon. P. E. Trudeau (Prime Minister): Well, Mr. Speaker, in the letter which apparently was quoted it is apparent to me that General Dare was asking for instructions of a cabinet committee. That is why I answered earlier that his answer obviously was not final and he was drawing conclusions which he was not sure of himself and which I have stated are erroneous. With regard to how often I meet with the general, I am not sure what the relevance is of that question.

An hon. Member: Twice a week?

Mr. Trudeau: Twice a week is overstating the case.

* * *

ROYAL CANADIAN MOUNTED POLICE

NUMBER OF DIRECTIVES ISSUED BY PRIME MINISTER CONCERNING INVESTIGATIONS

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, given the Prime Minister's professed concern for the independence of the RCMP can he advise the House if he has issued directives in other instances involving the conduct of RCMP investigations and if this is the case could the Prime Minister inform the House of the nature of those directives and those occasions which he felt warranted them?

Right Hon. P. E. Trudeau (Prime Minister): The way in which the question is phrased, Mr. Speaker, leads me to believe the hon. member was not here or was not listening when I answered the first question. I indicated quite clearly that there hade been no directives issued by me in the case.

PENITENTIARIES

REASON FOR TRANSFERRING TWO INMATES FROM ARCHAMBAULT TO WARKWORTH—GOVERNMENT POSITION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Solicitor General. Could the Solicitor General explain to the House what possible justification there can be for transferring, under pressure, two dangerous criminals from Archambault maximum security prison to the Warkworth medium security institution which is not designed or operated to handle this kind of criminal?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the decision was made late last night. In the process of negotiations, the inmates had put several demands to the authorities. All the other demands were rejected. However, this demand was accepted only on the condition that when they went to Warkworth they would be given a security classification test and that there would be no guarantee they would stay there if they did not meet the classification. One of the inmates had been at Warkworth and had asked to go back there. We told them that in these circumstances, to resolve the hostage-taking incident, we would send them there but there was no guarantee they would stay there if they did not meet the criteria of the institution.

Mr. Hees: Mr. Speaker, it is obvious why the criminals concerned asked to go to Warkworth. It is a completely different type of institution. I would ask the minister would he not agree that this display of weakness on the part of the government will invite similar violent pressure by dangerous criminals in maximum security institutions to be transferred to medium security institutions which are not in any way designed to handle this type of criminal whose lifestyle is completely different. If the Solicitor General has any doubts about the kind of lifestyle in these medium security institutions, I suggest he ask Harold Ballard of Maple Leaf Gardens.

● (1440)

Mr. Allmand: It was exactly for those reasons that we would not give them any guarantee that they would stay at Warkworth, and it was considered that if they were willing to go to Warkworth, even for a short period of time, it was a good way to resolve the conflict and possibly to save two lives.

Mr. Hees: I am sure the minister is confident that they will not stay in Warkworth long because this type of criminal is the kind who will probably lead a jail break out of Warkworth in the very near future.

Some hon. Members: Hear, hear!

* * *

NATIONAL DEFENCE

SUGGESTED DEPLOYMENT OF SEARCH AND RESCUE GROUP IN NEWFOUNDLAND—GOVERNMENT POSITION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is for the Minister of National Defence. In view of the fact that there has been another unfortunate incident in which a Canadian fisherman was lost, and in view of the time lag of 20 hours before search and rescue were able to react, I wonder if the minister would, since there have been so many incidents, direct that elements of the search and rescue group be deployed to the province of Newfoundland with aircraft capable of providing surveillance and patrol capability.

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I will certainly look into the circumstances surrounding the alleged time lag. With regard to the possibility of deploying search and rescue personnel and equipment to Newfoundland the hon. member will know that we have examined that on a number of occasions in the past. It has not been found to be cost effective.

An hon. Member: What about lives?

Mr. Richardson: However, my colleague, the Minister of Transport, and I have been examining on an urgent basis ways in which we can improve the search and rescue capability, and the comments of the hon. member will be kept in mind.

Mr. Munro (Esquimalt-Saanich): Life is involved.

Mr. Marshall: It is difficult to imagine why a price tag should be put on the saving of lives or the capability to save lives.

Some hon. Members: Shame.

Mr. Marshall: I emphasize that since the first of the year there has been only one rescue out of seven operations by airsea rescue, and everything points to the fact that the reaction time between leaving Halifax and entering the zone is at least two and a half hours. I hope the minister will reconsider and see the need for deploying the elements to the province of Newfoundland so they can react more quickly and save more lives.

Mr. Richardson: These facts will be borne in mind when the study which is taking place is fully under way.

* * *

HEALTH

MEASURES TO PROTECT VISITORS TO OLYMPIC GAMES AGAINST POLIO—POSSIBLE USE OF SABIN ORAL VACCINE

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. In view of the great anxiety felt over the discovery of wild viruses of polio, and the fact that only approximately 30 per cent of young people in the province of Ontario have any antibodies against all three types of polio virus and no protection, excepting the neuromotor system, against the wild viruses of polio, I should like to ask the Minister what steps will be taken to protect those people visiting the Olympic Games in Montreal.

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I have been assured by Connaught Laboratories that there is a plentiful supply of vaccine.

The population is encouraged to get vaccinated if this has not been done recently. Both in August of 1974 and in July of 1975 I instructed that inserts be put in with family allowances asking mothers to see that their children be vaccinated, and the only other piece of advice I can give is for people concerned to get their vaccinations from the usual sources from which they have been getting them in the past.

Mr. Rynard: In view of the short time left for total immunization I should like to ask the minister, as the senior health minister of the provinces, whether he would advise the use of the Sabin oral vaccine, which would protect those people attending the games.

Mr. Lalonde: We asked the national advisory committee at their meeting of October 30 and 31 of last year to study the matter of all the vaccines presently used in Canada against polio, and that particular committee has reported that both Salk and Sabin vaccines were found to be suitable to fight polio. so I am not in a position to advise at this stage as to whether one should be preferred over the other.

Mr. Rynard: I should like to ask the minister if he checked into the fact that the Sabin vaccine is the only one which protects against the neuro-muscular type of polio and other manifestations of the disease.

Mr. Lalonde: I will check into that, but I understand that this is not the advice we received from the national advisory committee.

* * *

STATUS OF WOMEN

PROPOSED PENSIONS FOR HOMEMAKERS AND CAPITAL GRANTS FOR CHILD CARE CENTRES—GOVERNMENT POSITION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare in his capacity as minister responsible for the status of women. Now that ten days have gone by since the delegates of the national action committee respecting the status of women were here in Ottawa and in light of his having met yesterday in Winnipeg with the National Advisory Council, is the minister in a position to state whether the government is prepared to introduce further specific measures to improve the status of women such as federal grants toward the capital cost of child care centres and the provision of pensions for spouses who are homemakers?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, as far as the latter part of the question is concerned, the government put forward very progressive proposals to the welfare ministers conference last February. Most provinces endorsed the general principles of the proposals we put forward. They asked for time to study the details, and as the hon. member knows, the support of two thirds of the provinces having two thirds of the population is required before I can put forward any amendment to the Canada Pension Plan.

As far as the first part of the question is concerned, I remind the hon. member that as the law stands at the present time we are providing more generously than any social service for day care in Canada at the present time. This is the only social service for which we are allowing the depreciation of the capital cost as a cost eligible for cost-sharing. In addition, we are also cost-sharing the cost of rented space, so at the present time we are cost-sharing on a very generous basis, more generously than for any other social service.

I have indicated that I intend to introduce in the fall a new piece of legislation called the social services act which will provide, I hope, for even greater flexibility.

Some hon. Members: Hear, hear!

Mr. Hees: Paul Martin would have been proud.

Mr. Knowles (Winnipeg North Centre): Rather than these generalities would the minister indicate when the government is prepared to contribute to the actual or original capital cost of day care centres?

Mr. Lalonde: I fail to see the generality of what I said, and I will ask the hon. member to be more specific.

* * *

FISHERIES

REQUEST FOR REPORT ON CONSULTATIONS WITH UNITED STATES CONCERNING PRINCIPLES GOVERNING SEAWARD EXTENSION OF BOUNDARY LINE

Mr. Lloyd R. Grouse (South Shore): Mr. Speaker, on Friday, April 30 I asked the Prime Minister two questions with regard to Canada-United States boundaries, and in the absence of an answer, I should like to direct a question to the Minister of State (Fisheries).

Since Canada maintains the equidistant principle in the seaward extension of the boundary dividing the land mass between Canada and the United States, while the United States claims the fundian channel divides the fishing banks on the Atlantic coast, has the minister or any of his officials held recent talks with the Americans on this topic, and if so, can he inform the House on the progress being made, in view of the valuable groundfish, lobster and scallop fishery as well as possible oil, gas and minerals in this area?

Hon. Roméo LeBlanc (Minister of State (Fisheries)): Mr. Speaker, the matter was raised when we met with the state department officials handling problems relating to fisheries last week in New York. It will also be raised at the bilateral talks between the Canadian and American governments which are to take place next week in British Columbia. Meanwhile, the reciprocal arrangement which exists between the Americans and ourselves has been extended for one year, to April, 1977. I do not hide the fact that we will have some complicated boundary negotiations with the United States.

● (1450)

BASIS FOR ISSUANCE OF OIL EXPLORATION PERMITS FOR GEORGES BANK BY UNITED STATES

Mr. Lloyd R. Crouse (South Shore): A supplementary question. The United States Bureau of the Interior recently

announced it is considering leasing something like 206 separate sites on the Georges Bank, totalling 1.2 million acres of ocean, to offshore oil explorations. Of these sites 138 are very important fishing grounds and I understand 50 are spawning areas for haddock, whiting-hake, herring and yellowtail flounder. Since ownership of this bank is obviously in dispute, can the minister tell the House if any informal agreement between our two countries exists and if none does, on what basis can exploration permits be issued to oil companies probing the resources of the seas?

Hon. Roméo LeBlanc (Minister of State (Fisheries)): Mr. Speaker, I am more familiar with the fisheries aspect than the exploration aspect. With the hon. member's permission, I will take the question as notice.

* * *

CAPITAL PUNISHMENT

INQUIRY IF FREE VOTE ON BILL C-84 WILL INCLUDE CABINET

Mrs. Simma Holt (Vancouver-Kingsway): Mr. Speaker, I should like to put a question to the right hon. Prime Minister. Will the free vote on Bill C-84 be free to the cabinet?

Some hon. Members: Hear, hear!

Mr. Fairweather: Otherwise, how was your caucus this morning?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, a freer group of men and women still has to be found in Canada.

Some hon. Members: Hear, hear!

* * *

FINANCE

VIEW OF MR. JOHNSTONE OF THE ANTI-INFLATION BOARD ON EXCESSIVE GOVERNMENT SPENDING—MINISTERS POSITION

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is directed to the Minister of Finance. As the executive director, Robert Johnstone of the Anti-Inflation Board is reported this week as saying that "There is a point at which high rates of increase in government spending, incurring of substantial deficits, and high rates of money growth would blow the (anti-inflation) program to smithereenes," would the minister indicate if he agrees with this view and specifically does he know of any provincial or municipal governments which are allowing such excess spending increases or deficits and if so, who are they?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, all governments in Canada are exercising restraint against increases in government expenditure and, of course the Bank of Canada has been following a tighter monetary policy which has been the subject of complaints by the hon. member because of high interest rates.

EFFORTS OF MINISTER TO REDUCE DEPARTMENTAL EXPENDITURES—POSSIBLE REFERENCE OF ESTIMATES TO ANTI-INFLATION BOARD

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, a supplementary question. In view of all governments following such restraint, and dealing with the minister's own spending estimates for salaries and related matters which we find have jumped by 15.5 per cent for the current year compared to a 9.5 per cent increase last year, would the minister indicate what steps he is taking to ensure that this 15.5 per cent estimated hike in his own spending will not materialize? Would he also explain to what extent he feels he can reduce his spending to meet at least the 9.5 per cent level of last year's increase and be within the AIB guidelines?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, as usual the hon. gentleman's arithmetic is somewhat faulty. As indicated to the committee last night, of course the government is bound by the collective bargaining agreements already entered into. I am confident that the Treasury Board will be able to keep settlements with respect to the Department of Finance and other departments, well within the guidelines.

Mr. Stevens: A final supplementary question, Mr. Speaker. If the minister is so confident concerning his own arithmetic, would he be willing to refer his own estimate increases to the AIB for a ruling to decide whether the increases are within the guidelines? Also, would the minister now confirm that his budget will be brought down on May 25, so that the nation can have a look at what this relatively highly paid staff has produced?

Mr. Macdonald (Rosedale): Mr. Speaker, I would have no difficulty referring them but since they obviously will be within the guidelines I see no necessity for doing that. As to the date of the budget, I will be prepared to indicate that to the House next Monday.

* * *

TRANSPORT

PURPOSE OF RELOCATION SUBSISTENCE FUND FOR AIR TRAFFIC CONTROLLERS—APPLICABILITY TO ALL CONTROLLERS IN QUEBEC

Mr. J. H. Horner (Crowfoot): Mr. Speaker, my question is for the Minister of Transport. Has the government offered to set up a linguistic relocation subsistence fund for air traffic controllers and, if so, what is the purpose of the fund?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, there have been discussions concerning the terms which might be available for air traffic controllers located in a control centre which is designed to become a bilingual control centre, who are unable to operate in a bilingual control atmosphere, and who will therefore seek to be relocated rather than take the necessary training. The discussions are really related to recognizing the special circumstances of the transfer involved and indeed are therefore a better condition of transfer than is available generally.

Mr. Horner: A supplementary question. Does this fund or assistance apply to all air traffic controllers within Quebec?

Mr. Lang: Mr. Speaker, the proposal is to have it available to those who find it difficult or are unwilling to accommodate themselves to a bilingual control atmosphere. In that sense it applies to all of them who are in that situation.

POSSIBILITY ONE THIRD OF AIR TRAFFIC CONTROLLERS WILL LEAVE QUEBEC—INQUIRY AS TO CONTINGENCY PLAN

Mr. Jack Murta (Lisgar): Mr. Speaker, my supplementary question is also for the Minister of Transport. Since there has been a request on behalf of approximately 100 traffic controllers out of some 270 in the province of Quebec, and remembering that air traffic control is a highly demanding occupation that does not readily lend itself to overtime work, has the government formulated any contingency plans should the contemplated exodus of up to or over one-third of the air traffic controllers in the province of Quebec take place?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the difficulty of having an adequate number of air traffic controllers who can control traffic in the two languages was a reason which I gave at the time of setting out the gradual schedule rather than a more rapid one for the implementation of bilingual air traffic control within the province of Quebec. I can say to the hon. member that the most recent report I have is that the number of controllers interested in moving is rather lower than the figure he is using which would be closer to the figures I have seen for both those desiring some training and those wishing to move.

REQUEST FOR INQUIRY INTO SAFETY ASPECT OF USE OF BILINGUAL AIR TRAFFIC CONTROLLERS—GOVERNMENT POSITION

Mr. Jack Murta (Lisgar): A final supplementary, Mr. Speaker. I believe the figures show that 62 air traffic controllers are taking active steps to leave the province and another 37 are contemplating doing so as soon as possible. Would the government at the present time be receptive to the idea of setting up an independent public inquiry to determine conditions for air safety in Quebec so that we may set this whole question to rest once and for all?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I should like to show the hon. member that we are not at all hesitant about any kind of examination of our procedures in regard to air traffic control and the safety involved. I should remind hon. members, however, that this whole discussion is based on a plan of progressively offering additional air traffic control services in the two languages in the province of Quebec. The whole plan was based, in the case of instrument flight operations, first of all on very carefully testing and developing procedures with the co-operation of airline pilots and controllers in order to be absolutely sure they are safe. We can assure the Canadian people that we are confident the moves we are making in regard to bilingual air traffic control will be fully consistent with the high standard of safety which Canada has always had.

* * *

POST OFFICES

ALLEGED DISCONTINUANCE OF STREET CORNER BOXES FOR THE COLLECTION OF MAIL

Mr. Craig Stewart (Marquette): Mr. Speaker, my question is for the Postmaster General. Is it now the policy of the Post Office Department to discontinue use of postal letter boxes on street corners as a further cutback, except in communities where there is door to door delivery service? The postal letter boxes I refer to are those used for mailing letters.

Hon. Bryce Mackasey (Postmaster General): Mr. Speaker, it is not a very rigid policy. If the hon. gentleman would give me a particular case of hardship as a result of some negligence or action on the part of the Post Office, I should be glad to rectify it.

Mr. Stewart (Marquette): Mr. Speaker, this cutback in service affects all citizens but in particular our senior citizens. Will the minister reconsider this policy? As an example, of where it has taken place I will use the town of Neepawa, Manitoba.

Mr. Mackasey: It is a beautiful town and I shall do everything to accommodate the senior citizens.

ROUTINE PROCEEDINGS

[Translation]

ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that the following communication has been received:

Government House
Ottawa

5 May, 1976

Sir:

I have the honour to inform you that the Right Honourable Bora Laskin, P.C., Chief Justice of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 5th day of May, at 5.45 p.m., for the purpose of giving Royal Assent to certain bills.

I have the honour to be,
Sir,
Your obedient servant,
Edmond Jolly de Lotbinière,
Administrative Secretary
to the Governor General.

● (1500)

[English]

Mr. Woolliams: Mr. Speaker, I rise on a point of order in reference to the Standing Committee on Justice and Legal Affairs Considering Bill C-83 while the debate is now

proceeding in the House of Commons on Bill C-84, which is part of the security package.

When this peace and security package was presented, Bill C-83 entitled "An Act for the Better Protection of Canadian Society against Perpetrators of Violent and other Crime", and Bill C-84 entitled "An Act to amend the Criminal Code in Relation to the Punishment for Murder and Certain Other Serious Offences", by the Minister of Justice (Mr. Basford), both bills were linked together. In fact the Solicitor General (Mr. Allmand) in his speech on what is known as the abolition bill presented the question of gun control as the answer to control murder, and at that stage he too linked both bills together. The government linked both bills together in a peace and security package.

The personnel who are interested in the debate on Bill C-84 are also interested in the debate in committee on Bill C-83. I want to make this important point of order with regard to the arranging of business. I ask you, Mr. Speaker, because you are the only one who can protect our rights, since we are confined to the committee when the other debate is going on here as part of the same peace and security package—

An hon. Member: Where were you Monday night?

Mr. Woolliams: I happened to be here. The hon. member does not know I was here because he was absent. I do not know where he was.

The personnel on the Standing Committee on Justice and Legal Affairs naturally want to consider the debate on abolition and yet are being tied to their places on the Justice and Legal Affairs Committee because the whole strategy and plan of the government, the Prime Minister (Mr. Trudeau), and the House leader is to ram legislation through. They know that crime is on the increase and they want to sell the idea to the Canadian people that they are doing something about it. In fact, they are doing absolutely nothing about it.

They flaunted their own law that they passed 2½ years ago in reference to murder. They have postponed the penalty for murder while a number of people are waiting in jail, having been convicted of killing police officers and prison wardens. Therefore my point of order is that the committee should not and must not sit while the House is considering the bill to abolish capital punishment. I have a right as a member of parliament to listen to the debate in the House of Commons. I should not be denied that right by being confined to a committee because of the Liberals over-powering majority in the House that runs slip-shod over parliament and, in particular, members of the opposition.

Some hon. Members: Hear, hear!

Mr. Woolliams: I realize that timetables are tight. However, this is not a question of a tight timetable. It is a question, I repeat, of a government making up its mind to ram through a bill against the will of the people of Canada and the will of the opposition.

Some hon. Members: Hear, hear!

An hon. Member: Be serious.

Mr. Woolliams: I have never been more serious in my life. You, Mr. Speaker, are the only one who protects the rights of the individual members of parliament. Our rights, as they exist, exist and continue to live because you have been elected to the highest office in the House of Commons. I make this appeal to you. Should members of parliament, in particular members of the opposition who have a duty to fight Bill C-83, not because of its intention but because it is the most horrible, badly drafted legislation that has come before the House of Commons, not be in the House?

Some hon. Members: Hear, hear!

Mr. Woolliams: I am using this as part of my argument on my point or order. The facts that I set out now are to substantiate why we should not have two hearings going on at the same time in two parts of this institution.

I was in this House of Commons when we had a Progressive Conservative government. The then 49 Liberals refused to sit on committees while the House was sitting. the Right Hon. member for Prince Albert (Mr. Diefenbaker), because he believes in democracy and the supremacy of parliament over a powerful government such as we have today, gave into that.

I am told the government wants to get the bill on the abolition of capital punishment out of the road. It wants to rush it through. I am speaking for thousand of Canadians today who are writing letters to all members of parliament on all sides of the House, and who are concerned about these bills and concerned about crime.

We have heard six witnesses with reference to Bill C-83. Our party is co-operating in every regard. However, even the written briefs are pushed through. Members are denied the right to present full argument on the briefs being presented. They are given only 15 minutes in committee. A few members are only given ten minutes, and there are many on the list who are not allowed to ask a question. The government is ramming through this legislation against the will of the people of Canada.

I am asking, therefore, that there be a directive that a matter that comes before the House in one package cannot be debated in two places at the same time. When the debate on the abolition of capital punishment commenced the other night, there were only 53 members in the House. I was one of the 53.

The committee is being asked to sit and consider one part of the package, and the House the other part. I ask you, Mr. Speaker, as guardian of the rights of parliament, to give a directive in this regard because it is the same package. I make this special appeal to you, Mr. Speaker, because the government is running slip-shod over parliament, the people of Canada and, indeed, its own backbenchers.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): If I may, Mr. Speaker, I will direct my remarks through you to the government

House leader. The hon. member for Calgary North (Mr. Woolliams) has made a good point with regard to the proper consideration by this House of Bill C-83 and Bill C-84. As he pointed out, the Solicitor General (Mr. Allmand) in his speech the other night said it was part of one package. On that ground the Chair ought to consider the situation very carefully. The government House leader has a particular responsibility to consider the operation of parliament.

There is another side to this debate which is also important. One of the two bills before parliament, C-84, is a bill on which there will be a free vote and for my argument I am overlooking the question asked today by the hon. member for Vancouver-Kingsway (Mrs. Holt). I presume that bill will not be discussed in caucus. It is the kind of bill on which each member will make up his or her own mind on one basis or another and, on that basis, decide how to represent his or her constituents.

In that context, it is important that every member of this House of Commons be at least afforded the opportunity of coming into this Chamber and listening to the debate on Bill C-84. This debate, perhaps more than any other, does not advance a party point of view but involves persuasion. All members must admit there is an atmosphere about this place which one cannot capture. There can be nuances to argument that one cannot capture from the pages of *Hansard*. In addition to what the hon. member for Calgary North has said, even though there are some difficulties in the committee system, I respectfully suggest that these difficulties are not insurmountable for the government. They ought to be surmounted so that members who are being asked to reach a difficult decision with regard to Bill C-84 should have an opportunity of listening to the debate.

● (1510)

I admit we are restricted by the fact that committees do sit while the House is sitting, but surely those members who are concerned with one part of the whole peace and security package in a committee ought not to be deprived of the opportunity of participating in the debate in the House. To my mind it is incongruous that the present situation should continue to exist.

I ask you, Mr. Speaker, and I ask the House leader, to take note of the fact that the bills, in their essence, are completely different from each other and that special consideration is due to members of the Standing Committee on Justice and Legal Affairs in this particular case, not only because of what the hon. member for Calgary North has said but by reason of the nature of those two bills.

Mr. McGrath: Mr. Speaker, I rise on the same point of order, as a member of the Committee on Justice and Legal Affairs, in support of what has just been said by my House leader and by the hon. member for Calgary North (Mr. Woolliams). The difficulty I experience, as one member of the House, is this: my constituents expect me to participate in the work of parliament and they have shown a special interest in Bill C-83, as is exemplified by the amount of mail I have received with regard to it. As a consequence I should be participating in the work of the Committee on Justice and Legal Affairs during its clause by clause consideration of the bill in a meaningful way, by contributing to the discussion and moving amendments.

At the same time my constituents expect me to be in the House to take part in the debate on Bill C-84, another important bill in which they are taking great interest, as are all the people of Canada. They expect me as their representative to take part in that important debate so that I can make up my own mind and put forward the views of my constituents if it happens that my views do not coincide with the majority of theirs.

My House leader made the point well when he said there had been no input from caucus on this issue and presumably, since there is to be a free vote, this is the case on the other side of the House as well. Consequently we are all expected to take part in the debate and listen to the arguments expressed by other hon. members, and then cast our votes according to the dictates of our consciences so as to best serve the interests of our constituencies and our country. But we are denied the right to do this as a result of the management of the business of the House by the government House leader. He has taken what has been a package, what was presented to the House as a package, and split the package, and now he tries to split the House, something he cannot do.

Another point I should like to make has to do with the scheduling of committees. It is very relevant to my argument. Tomorrow, for example, while the Committee on Justice and Legal Affairs is sitting, four other committees will be meeting at the same time to examine estimates—Labour and Manpower, Miscellaneous Estimates, Agriculture, and National Resources and Public Works. My hon. friend reminds me that the National Capital Commission committee will also be meeting at the same time.

Tomorrow, Mr. Speaker, we are expected to take part in the clause by clause examination of Bill C-83 in the Committee on Justice and Legal Affairs. We are expected to participate, also, in the extremely important debate in the House on Bill C-84. Third, and not necessarily in this order of importance, we are expected to carry out our principal responsibility in this place, that is, the voting of supply. I ask you, Mr. Speaker, how can we carry out this responsibility, the examination of estimates and, dependent upon that, the voting of supply, when there are ten committee meetings taking place tomorrow, beginning at 9.30 in the morning and carrying on past 8 p.m. at night? I ask the government House leader does he take parliament seriously, or does he think this is a joke? I can assure the House leader that we look upon the examination of Bill C-83 and upon the debate in connection with Bill C-84 as being of the utmost importance. I also say we have a responsibility to examine all the estimates, and I submit he is denying us that right by having 14 committee sittings on the same day.

Some hon. Members: Hear, hear!

Mr. Hnatyshyn: I rise on the same point of order, Mr. Speaker. Because my hon. friends have put our case in

such a compelling manner I intend to be very brief. I would point out to Your Honour that I raised a similar point of order with respect to the Standing Committee on Agriculture sitting at the same time as agricultural matters were being discussed in the House of Commons in the course of the present session.

If the Committee on Agriculture were sitting while a bill affecting justice and legal affairs was being considered in this Chamber, that would be one thing; we would have to determine our priorities in terms of the topics under consideration. But here we find one part of the peace and security package being considered in two different forums at the same time, and affecting people who are very closely involved in each of these debates. If the government House leader is serious he will review this matter and make other arrangements. It would not necessarily mean the suspension of the sittings of the Committee on Justice and Legal Affairs. Surely some provision could be made for the committee to sit at times when the House is not debating the capital punishment bill.

There is another matter I should like to bring to the attention of the government House leader. Would it not be possible to cut down the number of sittings which members of the Committee on Justice and Legal Affairs presently face? Members of that committee who, it must be remembered, have other duties as well, face an extremely arduous task on the basis of the present program of six sittings a week, and this for an indefinite period.

It seems to me, Mr. Speaker, that as the spokesman for the House of Commons you have the right, as guardian of the rights and privileges of our members, to rule that there can be no debate on capital punishment legislation at times when the Committee on Justice and Legal Affairs is sitting to consider the other part of what has been described as a legislative package. I hope favourable consideration will be given to this point, not only by Your Honour but by the government House leader who has now come back from a holiday.

● (1520)

[*Translation*]

Mr. Beaudoin: Mr. Speaker, I want to make myself the spokesman for our party on a point of order so well put forward by the official opposition. I think this discussion on Bill C-83, which comes from the same department as Bill C-84, is held at the same time as the House of Commons examines Bill C-84. Now, I think both bills should not be discussed together, one in the standing committee and the other in the House. First—

Mr. Blais: Do you want to sit until July?

Some hon. Members: No, until August.

Mr. Beaudoin: Until August, that is it. We know we will adjourn in August because there are only 20-odd days left for government business: there are six days for discussing the budget and the rest is alloted to the opposition. Therefore this means we know in advance that we cannot finsih the study of current business for June 30; it would be a mistake if one thought so.

Second, we are here to make a serious consideration of the legislation. I think the point of order raised by the official opposition is in order, and perhaps more for our party than for the Progressive Conservatives because we are only 11 in the House of Commons and we must be everywhere at the same time. With due respect, I suggest that this be taken into consideration, in view of the fact that we have to be at both places at the same time to discuss almost the same issues. I would also like to make one small remark at this time: the other committees sitting for the consideration of estimates or other issues could very well sit, for it is not at all the same thing. But as Bill C-83 and Bill C-84 come from the same department, they should not be studied at the same time.

[*English*]

Mr. Sharp: Mr. Speaker, I must say that I am rather taken aback by the remarks of the hon. member for Calgary North (Mr. Woolliams) because I have been discussing the business of the House with representatives of all parties.

Mr. Woolliams: But nobody ever agreed to this kind of nonsense.

Mr. Sharp: There was no reaction like this, Mr. Speaker, though I can understand there are difficulties. May I point out to the House that debate on Bill C-84 has only just got under way; it began on Monday of this week.

Mr. Woolliams: You have had six meetings about this.

Mr. Sharp: There could not have been any substantial conflict on this matter because we have just begun debate on Bill C-84, which I recall was introduced by my colleague on Monday. So it could only have been on Monday and possibly today that a conflict might arise.

It is very difficult to know how to schedule the business of the House toward the end of a session of this kind. I can assure hon. members that as House leader I shall try to do it in a way that will facilitate debate. As I understand it, the committee dealing with Bill C-83 is very anxious that it should meet as seldom as possible while the House is in session, and indeed is trying to give priority to morning sittings, and to make them long so as to minimize the possibility of conflict.

I hesitate to say this to the hon. gentleman, but since we have only just begun to debate Bill C-84, his outburst at this time really seems to be quite unjustified. I do intend to meet with the House leaders, as they know, and I hope we can discuss this subject. I believe that this House would like to proceed to deal with both these measures as expeditiously as possible, with as free a discussion as possible, and that is also our view.

Mr. Woolliams: Mr. Speaker, I rise on a point of order.

Mr. Speaker: Order, please. The question has been raised and contributed to by quite a number of members. I have attempted to give an opportunity to each party at least to be represented in putting forward a view. I see there are one or two other members who want to contribute to the point, but some who wanted to contribute have had the opportunity.

I am sure all hon. members realize at once two or three things. First of all, the grievance or concern that has been expressed is not new to this House. It has been raised many, many times in the past, though I must say not very frequently in this particular parliament but rather in pre-

vious parliaments. It is a very familiar concern with hon. members such as those who have participated in the discussion this afternoon, who are attempting conscientiously to fulfil all of the obligations placed upon them, and who find carrying the workload both in the House and in committee impossible at times.

While I think hon. members express a concern that is deeply felt, at one and the same time I am sure they will realize that the provisions of the Standing Orders are such that standing committees are empowered to sit while the House is in session. I do not say that in order to recommend it or to comment on its advisability; everyone knows the difficulties that this creates. I say it only because it concerns my jurisdiction in terms of attempting to make any order which may or may not determine when House committees can sit.

I hope that there are channels through which this kind of problem can be settled. It is certainly a matter for settlement among those who are ordinarily charged with some responsibility for coming to some agreement as to the progress of business through the House. The good will that attends discussions and arrangements is essential to orderly proceedings, and it is hoped that following the remarks of the President of the Privy Council (Mr. Sharp) the good will that has prevailed in the past will not fail us at a time when there is so much important business before the House.

It is difficult to see an area in which my authority could extend to make any other arrangements. However, I hope consideration will be given to this in the negotiations.

Though this is not meant in any way to diminish the importance of the subject matters that may be discussed on these days, it has already been noted that there are quite a number of opposition days remaining. If it becomes necessary to have extended sittings of the Standing Committee on Justice and Legal Affairs in respect to this very important bill, it might be that those days ought to be pre-empted for committee sittings of that sort in order not to conflict any more than is necessary. However, these are only reflections. If the Chair can be of any assistance in the negotiations, as always I am more than ready to assist; but I am reluctant to enter with any authority an area where the Standing Orders do not at this moment appear to give authority.

Mr. Woolliams: Mr. Speaker, on a point of privilege, the President of the Privy Council (Mr. Sharp) said I was unjustified in raising this. I would bring to his attention, through you, Sir, that at this very moment the debate on the abolition of capital punishment is about to recommence and there is a committee meeting being called. That is the reason I raised the point. I do not think I was unjustified; I think I had a proper and necessary grievance. As far as I am concerned, he is imputing motives. I did this because I believe I have to do the work for my constituency and for the opposition so far as justice affairs are concerned. I appreciate your sympathetic viewpoint. I only hope that the President of the Privy Council is as sympathetic as Your Honour and not as wishy-washy as he always is.

Mr. Sharp: Mr. Speaker, the reason I felt it unjustified is that I had called a meeting of House leaders for this afternoon and it would have been only courteous to have laid this complaint before his House leader so he could have talked to me about it.

[Mr. Speaker.]

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 4,956, 5,103, 5,147 and 5,196.

I ask, Mr. Speaker, that the remaining questions be allowed to stand.

[*Text*]

AUTOMOBILE WARRANTIES

Question No. 4,956—**Mr. Rodriguez:**

1. Did the Department of Consumer and Corporate Affairs request automobile companies operating in Canada to provide it with copies of all hidden, secret or good-will warranties on their products sold in Canada in the past ten years, and (a) if not, for what reason (b) if so, what are the names of the companies which provided copies of their good-will warranties and, in each case (i) in what years (ii) for what models (iii) for what particular work?

2. Did the Department or any agency of the Department receive requests for information on hidden or goodwill warranties and, if so (a) how many (b) what information was provided and did it include copies of specific hidden or good-will warranty programmes of automobile companies?

3. Did the Automobile Protection Association provide the Department with copies of any hidden or good-will warranty programmes of Canada's automobile companies and, if so (a) on how many companies was such information provided (b) on what dates?

4. Did the Department send copies of such documents to enquiring consumers and, if not, for what reason?

5. (a) How many persons are working for the recently created automotive section of the Department (b) was particular automotive knowledge and/or experience a prerequisite for being employed (c) what other criteria were necessary for employment (d) what are the functions of the section?

6. Has the Department consulted with the APA in its attempts to deal with the problems of hidden or good-will warranties, given their expertise in this area?

7. What action has the Department taken on a complaint made two years ago by the APA concerning advertising by STP for oil and gas additives and is any action contemplated?

Mr. Art Lee (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): 1. The former Minister did request this information from the automobile manufacturers and distributors in Canada. In general, the response was that internal company documents would be provided to the Department only on the condition that they remain confidential. This restrictive condition was not acceptable to the Minister, and he was not in a position to insist on its removal.

2. The existence of unpublicized post-warranty adjustment programs not made available to all owners became a subject of public concern in March, 1975. From that time until mid-March of 1976, the Department received over 400 enquiries relating to automobile warranties. In addition, the disclosure to the public of these programs resulted in more than 2,000 complaints alleging premature failure of vehicles or components, and seeking compensation. To consumers who contact the Department concerning automobile problems, officers provide copies of documents provided by the Automobile Protection Association which pertain to the specific problems experienced by the con-

sumer. In addition, each consumer receives general information about consumer rights and company obligations within the contractual warranties. In the case of the Ford Motors Company, consumers are provided with details of the company's policy on post-warranty adjustments relating to automobile corrosion.

3. The association provided copies of internal documents from two Canadian and one United States companies. These documents were sent or given to the Department on March 21 and November 5, 1975.

4. Yes: see also the answer to question (2).

5. Initially two officers were assigned responsibility for the Department's work on the problem area. They were chosen for their experience in handling automobile complaints, and in problem analysis and policy development. Before the remainder of the Unit could be staffed with officers having appropriate experience and expertise in the automotive field, the companies refused to co-operate with the Minister by providing documents which could be released to the public. At the present time, apart from handling automotive complaints and enquiries, policy is being developed in the more general area of warranties and guarantees.

6. Yes.

7. The result of an inquiry by the Director of Investigation and Research under the Combines Investigation Act into claims made by S.T.P. for their gas treatment product resulted in the referral of a Summary Evidence to the Attorney General of Canada on January 30, 1974. After careful and extensive consideration of the matter and in view of the fact that the company had discontinued the use of the performance claim which had given rise to the inquiry the matter did not result in a charge being laid. Since the revision of the company's advertising, the Department has received no further complaints.

JACQUES CARTIER TERMINAL—PORT OF MONTREAL

Question No. 5,103—**Mr. Forrestall:**

1. What is the estimated completion date for the Jacques Cartier terminal now under construction at the Port of Montreal?

2. What is the estimated total capital cost of the facility including the amount allocated for the take-over of existing break bulk facilities to be incorporated as part of the terminal?

3. Have any commitments been made by shipping lines and/or terminal operating companies to use the terminal and, if so, which shipping lines and/or terminal operating companies?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The National Harbours Board advises as follows. 1. The estimated completion date is April 1977.

2. The estimated total capital cost, including the amount allotted for the takeover of existing break bulk facilities to be incorporated as part of the terminal, is $5,500,000 exclusive of portainers for which a lease is still under consideration.

3. It is planned to operate the Jacques Cartier Terminal as a public facility and no contract has been concluded with any terminal operators or shipping lines.

MIRABEL AIRPORT

Question No. 5,147—**Mr. Stevens:**

1. What was the total amount expended, itemized to reflect the purpose of all main expenditures, by the government directly or indirectly on the Mirabel Airport up to March 31, 1976?

2. As of that date, what further monies have been committed, itemized to reflect the purpose of all main expenditures, with respect to the project?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport):

	(1) Accumulated Expenditures to March 31/76 ($000's)	(2) 76-77 Estimates ($000's)
Land Acquisition	16,772	400
Land Development and Improvement	6,700	300
Grants and Compensation	7,349	—
Airfields	76,386	1,200
Air Terminals	78,360	1,700
Utilities	20,790	900
Roads and Parking	32,212	1,200
Operations Facilities	11,661	300
Unapplied Common Construction Costs	10,367	300
Project Administration	37,252	1,479
Recoverable Capital Costs	5,627	—
Equipment	9,646	500
Headquarters Charges	—	638
Total	$313,122	$8,917

IRVING CASE—LEGAL FEES

Question No. 5,196—**Mr. Howie:**

What was the total amount expended to April 5, 1976 for legal fees and expenses for the prosecution of the Irving interests under the Combines Investigation Act and to whom was it paid?

Mr. Art Lee (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Cost of New Brunswick Newspapers Prosecution[1], William L. Hoyt, Q.C., Hoyt, Mockler, Allen, Dixon & Godin, Fredericton, N.B. (Crown Counsel); Legal fees, $132,566; Disbursement, $31,278. T. Joseph Scanlon, Dean of the School of Journalism, Carleton University, Ottawa, Ontario (Special Assistant to Crown Counsel Consultant); Fees, $9,100; Disbursements, $3,367. Winnifred Johnston, Saint John, N.B. (Witness), $630. Total: $176,941.

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[1] Does not include travelling expenses and time of Department of Justice personnel and of officers on the staff of the Director of Investigation and Research.

MOTIONS FOR PAPERS

[*English*]

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand at this time.

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURE RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed, from Monday, May 3, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

● (1530)

Mr. Norman A. Cafik (Ontario): I should like, Mr. Speaker, to resume my speech on capital punishment which I began on Monday. At that time I was concluding that aspect of my speech respecting the impact of TV on the perception of violence in our modern society. In this latter connection I wish to continue for a moment.

It appears to me to be abundantly clear that we in Canada live in one of the most peaceful societies in the world, bar none, yet in the many meetings I have held in my own riding I have found, like so many of my colleagues, that many of my constituents are convinced that we live in a volatile, violent, and highly dangerous society.

I have already indicated that television has played a considerable role in this disproportionate impression of a violent world, but I have said nothing to date of the significant impact of news coverage, particularly when any atrocity or act of violence or of inhumanity, wherever it may happen in the world, is played up in the most dramatic and often bizarre way possible. It is no wonder that, being constantly bombarded and exposed to this sort of news coverage, we conclude, often subliminally, that the violence we see distilled and capsulized from around the world on a daily basis is really the condition in our country and neighbourhood.

It is astounding that so many who think that our streets and homes are unsafe and that there is a thief or criminal on every street corner have themselves rarely ever met one. Their essential fear is not based on personal observation or experience at all, but on hearsay, and the impact of the media upon them. Our minds are constantly focused on the abnormal and we begin to believe it is the normal condition of society.

[Mr. Lee.]

Many have become partially, and others almost exclusively, the victims of the modern media and we are now beginning to see the fruits of the fear and apprehension that is being created in society as a whole. Such impact has become the condition of society living almost exclusively on a diet of media realism, devoid of substantial reality. I am not blaming the media nor a gullible public. I am simply saying that perhaps we are beginning to perceive an insight into ourselves and our relationship with the media that had been hitherto inadequately appreciated.

The present demand for capital punishment as a solution to violence is only the beginning, because when it is discovered that capital punishment does not solve the problem the public believes is the fact, the public may well clamour for a type of law and order which would attack the very fabric of our judicial system and the sacred and historic provisions upon which it is based.

This exaggerated fear, based in part on fantasy, is already beginning to express itself through many who suggest that perhaps we can no longer afford to presume the citizen innocent until proven guilty. That is too awkward an approach when we want instantaneous justice. Many want a highly expeditious justice, which is more reminiscent of frontier days of old than of civilized civilization. I believe that in the past the pendulum may have swung too far in favour of the criminal with inadequate cousideration for the real need to protect society. I do not think we can correct the situation by swinging the pendulum too far in the other direction, paying too little attention to the rights and privileges of citizens in our society who may be rightly or wrongly charged with a criminal offence. We really need a proper balance in our society; a balance in considering this highly emotional and divisive question.

It will be a sad day when, through a false perception of reality, we end up destroying some of the more fundamental freedoms of rights and protections that have been built up over the years on behalf of individuals simply because the public thinks it is essential in order to protect itself from a perceived but artificial and unreal world.

People advocate capital punishment as though it would spell the end to violence. Such is self-evidently not the case. I am not suggesting in any way that all is well in the world and that there is no need for changes in our present law, nor indeed that the proposed law before us is in fact perfect. Obviously changes are required not only in the law but in the administration of justice and in the enforcement agencies which are responsible for enforcing justice in our society. This we can achieve, but I do not think we need to over-react.

As I have said earlier, as politicians we must deal with the perceptions the public has, but surely as members of parliament and as legislators our first obligation is to deal with the condition as it in fact exists.

The fourth element of my speech today deals with the hard facts relating to crime in our society and what effect capital punishment would have on the occurrence of these crimes. Quite evidently, and as a caveat before dealing with these hard statistics, I should indicate that there is a shortage of hard information. It is extremely difficult to do

a lot of research and collect enough information to be able to come to the kind of conclusion all of us would like to reach. I am sure it would be of interest to members of parliament and the public at large if I relate the hard criminal statistics in Canada to those of the United States and other countries of the world to see how we fare in that relationship. Unfortunately the bases of our statistics in this and in other countries are not really comparable and do not lend themselves to ready or accurate comparison.

In addition to this, the fundamental definition of murder or capital homicide has varied in this country over the years and, indeed, in all other countries with which we would like to make comparisons. Nonetheless, and in spite of this reservation regarding the shortcomings of statistical data available, I think there is some justification in looking at the facts that are available.

First of all let us look at the volume of reported crime in Canada during the years 1962 to 1970. In 1962 there were 796,675 offences reported to the police, and 34,954 were violent offences. Violent offences in that year constituted 4.4 per cent of actual offences reported.

There has been a gradual increase in the number of offences during that period which is not particularly dramatic, culminating in 1970 with 1,574,135 offences reported to the police, of which 92,372 were violent offences. The percentage of violent offences rose from 4.4 per cent to 5.9 per cent.

Violent offences in all categories related to the population figures in Canada indicate that in 1962 the rate per 100,000 population was 226.6. In 1970 this figure has grown to 494.4. In other words, they more than doubled, clearly indicating an increase in violence in society. However, the operative point is, what kind of violence and how do we as legislators best deal with the growing trend? That is the central question.

Criminal homicide in 1962 constituted three quarters of one per cent of all violent crime in Canada. In 1970 criminal homicide constituted less than one half of one per cent. This alone illustrates that although there was an increase in criminal homicides during those nine years in absolute figures, from 265 in 1962 to 425 in 1970, criminal homicide as a percentage of violent crime had indeed shrunk and not grown.

● (1540)

Let us turn our attention now to another aspect of violent crime. The average rates over the nine-year period in the five categories of violent crime are as follows: criminal homicide .52 per cent, attempted murder .24 per cent, wounding and assault 86.18 per cent, rape 1.28 per cent, and robbery 11.78 per cent. These statistics illustrate a fundamental point relating to capital punishment. Capital punishment is directed toward criminal homicide only, and this is the area where there is the least growth in violence. Its retention in my view does not have any effect on the larger categories of violent offences such as wounding, assault, rape, and robbery, which constitute over 99 per cent of all violent offences in our society.

If the public wants more peace and security then clearly we as legislators must deal not only with the question of capital punishment and how to deal with murderers but the larger and ever increasing problem of other forms of violent criminal activity where capital punishment has no place in the minds of any of us in our society. Simply, in terms of protecting human life we must look at the problem of loss of life in society in proper perspective.

In 1970 there were 425 criminal homicides. It is generally accepted that only about 30 per cent of these were premeditated homicides. In the same year the death rate for motor vehicle accidents was 5,312, and for boating and water accidents 1,205. I do not have the statistics for the thousands who died in our society each year through all other kinds of accidental mishaps. Clearly these facts alone indicate that the danger to our population through non-criminal accidental death is much more severe than that which faces our citizens through criminal activity and homicide. More recent statistics indicate that in 1973 there were 475 murders, 2,773 suicides, 6,429 motor vehicle fatalities, and 13,476 other fatalities. In other words, 97.8 per cent of violent or accidental deaths are from sources other than murder.

The incidence of crime statistics is very closely related to drug and alcohol abuse. It is estimated that in British Columbia which has the highest per capita crime rate in Canada, approximately 70 per cent of all crime committed in that province is related to drug and alcohol abuse. If we want to solve crime in society we must get down to the nuts and bolts of the question, deal with its root causes and forget about capital punishment as a final solution to our ills.

It is estimated that as high as 90 per cent of victims of criminal homicide knew their killer. This illustrates an important point that criminal homicide is largely committed between friends, families, neighbours, lovers and so on, and not by the so-called criminal element of society. One has the vague impression that the public have an unwholesome fear of being murdered by some unknown criminal in society. The facts do not bear out this kind of concern.

A point which flows from the above statistics is that those who commit murder in the domestic or neighbourhood context are generally, up until that moment, normal law-abiding citizens and commit the crime either through passion, temporary mental derangement, or a unique and specific motive arising from the special relationship between the two parties involved. Such persons, I am informed, are rarely even remotely inclined to commit the same kind of offence again. Indeed they must be punished, but in my view one who says that this group must be hanged to provide protection for society is not facing the realities of the situation. I know of no evidence that a person in this group has ever committed an offence of that calibre for the second time in this country.

These statistics, like all statistics, are very confusing but they do indicate clearly that there is an increase in violence in society, but in proportional terms, not for premeditated murder. Therefore capital punishment, although it may be desirable to some, will certainly not be a solution to the problem of violence in society.

Now let us for a moment take a look at the bare facts in relation to a new look at what the government's response has been to the perceived problem of the public in our society. Let us look briefly at the new peace and security

package the government has presented. There are three bills that have been introduced to deal with these questions. Capital punishment must be viewed in the light of these proposals taken as a whole because they constitute a package to deal with this central question.

Bill C-71, dealing with bail reform, switches the onus so that under this legislation the individual must now prove that he will not constitute a threat to society after release on bail. I think this is a welcome change which gives a great deal of protection to citizens in our society against dangerous criminals who might be too readily released on bail.

Bill C-83, which is presently before the standing committee, deals with the following items. First gun control is invoked, consisting of licensing of all gun users. I am not saying this bill is perfect but I support its central thrust of making sure that guns are not given to people or may not be purchased by people who are mentally deranged, have a history of violence in our society, or who perhaps have been regular abusers of drugs or alcohol and so on. I made a speech on gun control only a few days ago in the House of Commons and indicated my concern about that legislation. Therefore I shall not go into the subject further now.

Second, Bill C-83 deals with crime inquiries on the provincial level which are now being authorized through this legislation to fight organized crime in a more effective way. I think that is a responsible response.

We have further expanded detection and electronic surveillance to allow additional police powers so that we can deal further with organized crime. Dangerous offenders who may constitute a threat to the safety of the public are now subject to indeterminate sentences so that they will not be re-released into society if they continue to constitute a threat to the safety of the public.

There is also a broadening of the activities in relation to crime prevention and the imposition on all levels of government of stronger measures to ensure adequate custody and safe technique for release of inmates.

Bill C-84, with which we are dealing now, essentially covers the question of capital punishment, treason, and other offences of that nature. It deals with the problem in the following ways. First, first degree murder is redefined with a penalty of life imprisonment and with no eligibility for parole in less than 25 years.

Second, in respect to first degree murder, the judiciary may recommend a reduction of the non-parole period to a point not less than 15 years.

● (1550)

Third, community membership is proposed to be included on the Parole Board in the determination of whether an inmate will be released on parole into a given community situation.

Fourth, first degree murder is defined as premeditated, and in addition to that, any homicide relating to police officers or prison guards, or murder committed together with hijacking, kidnapping, rape or indecent assault. All other murders will be considered second degree murder. The penalty here is also life imprisonment with no parole eligibility in less than ten years, and the court is entitled to extend this period to a point not exceeding 25 years if it believes it is in the public interest.

In so far as temporary leaves and absences, day paroles from prisons and so on are concerned, those sentenced to life imprisonment will not be eligible for parole except in the last three years of their non-eligibility for parole period. In addition there will be a mandatory one to fourteen years added on for anyone convicted of a crime committed with the use of firearms. That is over and above the penalty they would normally receive for the original offence.

The next point I want to talk about for a moment is the feeling that so many have that our prisons are insecure and that the amount of time served by people in prison has become less and less over the past few years. I myself was surprised to learn that during the period from 1961 to 1968 those who had their death sentences commuted to life imprisonment had served an average of 12 years in prison. Those who had been sentenced to life imprisonment served an average of 6.2 years. However, during the Trudeau administration, from 1968 to 1974 those who had their sentence of death reduced by commutation served 13.2 years, which is more than such persons served in the preceding period prior to this government coming into office.

Those who had been sentenced to life terms also served more time than the same group during the period from 1961 to 1968 because the time they spent in prison went up from 6.2 to 7.7 years.

Let us look at the proposed legislation with regard to the time a person will in fact spend in prison. Those convicted of first degree murder will spend up to 25 years in prison instead of 13.2 years, unless a judicial review proposes to reduce the pre-parole period to less than 25 years, but more than 15 years, and the Parole Board agrees. That is a very substantial change. In the case of those sentenced to life imprisonment the 7.7 years actually served in the period from 1968 to 1974 will become never less than 10 and could go up to 25 years. I think that this illustrates to the public that their perception of this government being soft in terms of length of time being served by those convicted of criminal offences simply does not wash.

These are tough measures to combat crime in Canada, particularly violent crime, and I basically support them. However, there is still more to be done, particularly with respect to uprooting and eliminating the underlying causes of crime in society.

I should like to make a few brief comments about capital punishment per se. First, I am not opposed to capital punishment in principle. To vote for capital punishment would not in any way offend my conscience. I understand that a large percentage of those who are opposed to capital punishment oppose it because of some deep philosophical or theological reason. I believe, without any doubt in my mind, that the state clearly has the right to impose capital punishment if the protection of society genuinely requires it. The question is, to be adequately protected, does society require capital punishment? My position is a more pragmatic one based on my considered reason and judgment. My judgment is based on research and a careful consideration of the arguments which have been put forward by those who advocate capital punishment.

My opposition to capital punishment is based on several considerations. First, in my judgment capital punishment does not provide a deterrent against murder. Statistics neither prove nor disprove this statement. It seems to me that the burden of proof rests on those who think it is a deterrent when they are asking society to take another person's life. Second, no state should impose a penalty more severe than is required to protect the integrity of the state or the safety of its citizens. Capital punishment violates this principle. Third, capital punishment as a mandatory sentence for first degree murder would limit the number of convictions and result in more murderers being free in our society than would ever happen without capital punishment.

Fourth, statistics clearly show that our judicial system is fallible and that the risk of hanging innocent persons is too great. I think there has always been a presumption that it is better to let a guilty person go free than to incarcerate or hang an innocent one. I think that is fundamental to our whole institution and system of justice.

Fifth, the retention of the death penalty will create the false expectation that we will reduce the incidence of violence in our society, and I just do not believe that is true. Sixth, the retention of the death penalty will divert public attention away from determining ways and means of identifying and eliminating conditions which give rise to violence. Seventh, the state will not create in society an abhorrence for violence by resorting to such methods itself under the guise of protecting society.

In my view this new peace and security legislation which I have briefly detailed in my speech is a more reasonable and responsible approach toward the reduction of violent crime in society than the death penalty could ever hope to be. This new package will maximize protection for society as a whole, provide a more meaningful deterrent against crime in society and should eliminate the anxiety of many of our citizens respecting law and order.

As I have said, a great deal still has to be done to restore confidence in the law itself, its enforcement agencies and our judicial system. As parliamentarians all we can do is make value judgments and hope that the legislation we pass is sound, reasonable, and effective. We all know that such laws are not carved in stone, and if further changes need to be made the future will give us an opportunity to make them.

Many will be disappointed if the death penalty is eliminated, but I am confident that they are basically reasonable people and that they will support this proposed legislation and give it a fair and reasonable trial.

This new package is tough law, probably as tough, if not tougher, than criminal law in the vast majority of civilized nations. It substantially corrects the abuses of the past and significantly provides greater protection for the future.

In light of the present evidence and the arguments I have heard I am persuaded to believe that the broad public interest would be best served by the abolition of capital punishment and the passage of the two bills we have before the House and the committee to restore in our society the kind of law, order, and protection for our citizens which all of them expect and have a right to receive.

Some hon. Members: Hear, hear!

Mr. David MacDonald (Egmont): Mr. Speaker, I am very impressed by the words of the hon. member for Ontario (Mr. Cafik), and certainly by the number of factors he put before the House in the last few minutes with respect to the arguments which he saw as being of a pragmatic nature, as he indicated, leading him to believe that the abolition of the death penalty should now be finally approved.

I hope to keep brief the main substance of my remarks because I think the nature of this debate is such that it will be important that many hon. members can take part in the discussion. As a member who has taken part in at least two previous debates on this subject, there may be a number of other members on both sides of the House who would question whether I had anything of a substantial nature to contribute—

● (1600)

Mr. Chrétien: Just give us the page numbers.

Mr. MacDonald (Egmont): I could give the page numbers and let the minister go back and read the speeches. Perhaps they are better. I think there are a couple of misconceptions which are new, however, and I want to deal with them. There are also two basic aspects of what we are faced with in the legislation which I hope to touch on, perhaps by way of emphasis rather than with new material.

First of all we have to look at the context in which we approach the present debate. I know the debate is theoretically, and I suppose legally, on the subject of whether we will abolish the death penalty. As hon. members and the public realize, this is increasingly becoming a kind of theoretical issue. Since December, 1962, a large segment of the general public realizes that we have had a *de facto* abolition of the death penalty, and there have been many requests, petitions, letters and statements with regard to reinstitution of the death penalty. We should face the fact, however, that for well over a decade it has been accepted that the death penalty has not really been an option either in the minds of the courts or in any other aspect of the criminal justice system.

There is a real danger in having an unreal discussion, as if we were going to start something new next week or next month and have not had almost a decade and half experience with it already. That experience should quieten to a degree some of the hysteria about the great danger to society if capital punishment is abolished. Through a decade and a half of abolition I do not think people have been terrorized in the streets.

I have been increasingly impressed by the high degree of acceptance in Canadian society, compared to a great many other countries in the world, of the security that exists here. It is true that individual instances of violent behaviour are reported from time to time and that, particularly in urban areas, there has been some intimidation that tends to make people fearful. I am very much inclined to the view of the previous speaker, however, that we are in much greater danger of being terrorized by the kinds of violence portrayed on television and in the media, and by

the kind of reports that come to us from time to time of brutal and tragic crimes.

By and large Canadians are a law-abiding people. The *de facto* experience we have had for almost a decade and a half has not greatly endangered Canadian society. It can be argued that the very fact that there has been a gradual understanding of and experience with *de facto* abolition has led some people to realize that there is perhaps more to be gained by declaring once and for all that capital punishment is not acceptable than there is by lingering in the kind of twilight zone that faces us under the present law.

Second, there have been growing comments and criticisms in recent years about the government not obeying the law. I have heard that somehow or other, with the partial abolition established in 1967, and renewed in 1973 for a second five year period, the government had failed to obey the law. Having passed a law to the effect that capital murder is now confined to the killing of a police officer or prison guard, persons who were convicted of those charges were not executed and so people felt the government had failed to live up to its responsibility. I find this very strange on a number of points.

The practice of commutation by the cabinet did not commence in 1967 or 1960; as hon. members know, it goes back beyond the history of our country. Even before the new act was proclaimed in 1968 there were many more commutations under the old law. Before the act came into effect in 1968, 17 people received commutations under the old law but the government has not been criticized for that. Since enactment of the new law in 1968 only five commutations have taken place. I am concerned that members of the government have done so little to explain this to the people who do not realize the difference between what the law states in regard to sentences for particular crime and the responsibilities of the government and of the monarch in the circumstances.

According to the 1975 version of "Martin's Criminal Code," Article 684 (1) states:

> The Governor in Council may commute a sentence of death to imprisonment in the penitentiary for life, or for any term of years not less than two years, or to imprisonment in a prison other than a penitentiary for a period of less than two years.

That states very clearly that in each and every case of a capital sentence the government not only has the right, it has the duty to make a decision whether it will allow the sentence of death to stand. In the five instances since the new law came into effect in 1968 the government said in effect it would commute in almost every instance to life imprisonment. As has been said by the previous speaker, this has usually resulted in longer sentences than were imposed prior to that time.

It seems to me that when the public or individuals complain the government has not obeyed the law, it is because they do not understand the law. The law makes it clear that the government has an obligation to consider commutation in each and every case. If that were not sufficient, according to "Martin's Criminal Code" article 686 states:

> Nothing in this act in any manner limits or affects Her Majesty's royal prerogative of mercy.

[Mr. MacDonald (Egmont).]

This means quite simply that since 1968 if people wish they can criticize the judgment of the government on whether in each and every instance it should have exercised commutation. I think it is really playing fast and loose with the truth, however, to say that the government has not obeyed the law in those instances. If there are members in this Chamber who take that view I would point out that by the end of the first five year period in 1973 when no executions had taken place under the partial ban of 1967, I do not recall that any individual member advocated or put forward an amendment for the removal of article 684. Considering the number of lawyers we have as members of the House I am surprised that no one has challenged the legality of the government's action in the courts. If there are some who feel the government has not acted according to the law, let them take the matter to the courts and have it resolved. I just make those two points by way of introduction, Mr. Speaker.

● (1610)

I want to come now to the central part of the consideration of what is before us in this bill. First let me say I am delighted that the government has finally taken the issue in hand to make *de jure* what has been a *de facto* situation for about 14 years, that of abolishing the death penalty once and for all. I realize the government has in some ways created some difficulty for itself in doing this.

While having exonerated it to some degree with respect to its actions under the law, I take strong issue in terms of tying in with this abolition the punitive and, frankly, irresponsible aspect with regard to sentence which is related to this abolition of the death penalty. I find it difficult to believe that the Solicitor General (Mr. Allmand), the Minister of Justice (Mr. Basford), their colleagues and advisers spent very much time talking to the people involved in the criminal justice system, particularly the penitentiary system, with regard to the implications of this part of the act in terms of its acceptability, enforceability, viability and, perhaps most important, the aspect of security for the Canadian public.

Many members here have had the opportunity to examine in some detail our present penitentiary system. It is not a happy situation. I am sure many on both sides of the House will admit that the reason we have a high rate of recidivism is, indeed, the whole penitentiary system. However, to argue in this legislation that we can trade-off the removal of one barbarous, cruel, and unacceptable form of punishment for one that is not equally as bad but is certainly moving in that direction, I find the rationale difficult if not impossible to understand.

I believe that the government has in a sense weakened its own presentation by representing to us in this bill the fact that the real protection is to ensure the people are locked up for such an enormous length of time that they will never be in a position to again be at large and be able to commit a subsequent and similar crime.

I do not have to quote statistics to the minister. However, they indicate to a very large degree that people who serve prison terms for capital crimes in many instances offer some real hope and possibility of rehabilitation. However, by this particular approach we even deny that to be a fact. While the substance of abolition is fundamental and I

support it, I hope that the unrewarding approach with respect to sentencing is reviewed, both in the context of when this bill goes to committee and subsequently. If the Solicitor General and the government maintain this position with respect to the totality of this bill, I believe that subsequent Ministers of Justice or Solicitors General will have to revise that aspect of it accordingly.

I want to come to the two points that concern me on the basic issue of whether members of parliament should finally make the decision to abolish the death penalty. The hon. member for Ontario (Mr. Cafik) stated quite clearly that there is a basic assumption about the utility of the death penalty which I have never been able to accept even for an instant. It is that the level of certain offences must have a penalty so serious that there can be no doubt in the minds of a possible offender, or those who have already committed a crime, about just how seriously the government and the general public treat these kinds of activities on the part of an individual or a group of individuals.

If one takes that position, and I know that quite a few people do, I find it difficult to accept that the adoption by the state of a means of violence, the most total we can think of, that of taking a human life, will somehow set an example that society should subsequently emulate. I find this a totally illogical position, certainly illogical for the vast majority of the general public who to try to believe that governments have great responsibility to set an example in terms of normative and responsible public behaviour.

If we as members of parliament, individually and collectively, believe that one of the greatest if not the greatest offence that any individual can commit is the taking of another human life, what is the rationale that would allow us, for reasons of some kind of justice or working of the law, to commit that very same offence? It is true we would do it under certain accepted guidelines, principles, procedures and tests of validity. However, if we believe that when an individual or group of individuals commit a murder the state must emulate that, I find that the most faulty and self-defeating kind of reasoning imaginable. In fact I would have to say that the use of capital punishment by the state is a final and total admission of failure.

I am not anxious for our government or any government to be committed continually to what I can only see as a total admission or irresponsibility and failure. That is why it is so important that members of parliament representing the general public not fall into that trap. More than that, beyond the argument some people make for the legitimate use of state violence there is the motivation that has to be put on the table before us this afternoon.

The day before yesterday, the day we began this debate, I had a journalist in my office interviewing me about something totally removed from capital punishment. We got on to capital punishment because it is a subject that people seem to talk about very easily. She told me of an experience she had. She said she had recently been visiting in a jail. She ran up against a situation where a criminal who had been locked up got hold of a gun and shot a guard. She said she previously had no feelings one way or another about the question of capital punishment, but when she really got angry and thought about this criminal shooting the guard, she felt there was only one thing good enough for that individual and that was capital punishment. When I asked her whether she came to that conclusion because she saw this as a question of justice or a question of deterrent or revenge, quick as a whip she replied "revenge, what else?"

It is not a pleasant quality in the human make-up, but we mislead ourselves if we believe there is not in all of us a quality or at least a possibility of wanting to retaliate. I am no different from anyone else. When I read of a brutal slaying of an innocent child, the taking of a life that appears senseless, stupid and tragic, my immediate reaction is one of simple blind retaliation, the desire for revenge against the individual who has been so sick as to steal the life of a fellow human being. However, simply because I have that motivation of revenge does not in any way justify it being an acceptable principle, or position for the state on which to operate.

I have to say that to the degree that we, any of us, allow ourselves to operate on that basis, we are not asking for the good order of society, to the degree that we want to see some element of retaliation or revenge. There is far too much of that in our whole prison system today. To the degree we respond to that and allow it to motivate us in establishing guidelines to social responsibility we are not seeking really to provide some framework of order and security; we are really asking for some kind of return to the law of the jungle and anarchy. That is always a possibility. No society, no community can ever say it has arrived. We have been exposed to enough tragic experiences in this century to realize this is always a danger we face.

● (1620)

This brings me to the final point I want to make this afternoon. It is really the basic point I want to make. I went back and looked at the speeches I made previously. I tried to say it before, but now I see it more clearly perhaps—this is one of the advantages to debating this thing once every two or three years—you finally come down to what is the essential position that you must adopt.

I think there is an essential issue here that all of us have to face. It isn't the question which has been raised—as a matter of fact, I raised it myself ten years ago—about whether the state had the right to take a life. That was mentioned, I think, just a few minutes ago by the hon. member for Ontario. I suppose that in a theoretical sense the state always has that right, but that is not really the issue we face here. It is not even the question of deterrence, because as has been pointed out we are dealing here with the human animal and we have not reached the level of sophistication where we can quantify the basis on which individuals make decisions and commit actions. God help us if we ever think we have arrived at that point. We are not going to solve it on the basis of the theoretical right of the state to take a life, or the more subjective analysis of statistics and psycho-analysis which might come into play in this modern age with respect to deterrence.

To my mind the basic issue is the whole question of our respect for human life. If I am asked to say on what basis I make a decision to abolish the death penalty today, I have to answer that it is because capital punishment is no solution at all. In fact the very desire to retain the death penalty is in itself a great affront to any individual who believes there is no higher value, in an absolute sense in

terms of the duty of the state, than that of preserving human life. My goodness, I really should not have to say that in this Chamber where we vote billions of dollars each year to enhance, protect or secure human life through various health and welfare programs and a whole variety of laws and regulations.

If we really believe that central to our responsibility as legislators is the enhancement and protection of human life, I know no justification for saying that somehow or other some people can be used as a kind of means to an end. I have heard the rationale many times that it is an acceptable principle—I have heard it advanced many times in this debate—that from time to time certain individuals should be executed as an example, as a deterrent against the future kind of crimes we want to avoid. What this says to me is that some people, a few people, not very many people, perhaps only two or three, or five or ten, can be used as a means to a greater good. I find this not only misleading but dangerous.

An hon. Member: Hitler said that.

Mr. MacDonald (Egmont): Thank you. I am grateful for that comment because it is exactly what I am trying to say. I do not want to use that kind of scare tactic here but there is not that long a connection.

When you make the argument that certain people in a society are expendable, for whatever reason, then it is not too long a trip to say that perhaps a number of people are expendable. We live in a time when we are being told continually there are all kinds of goals we should be achieving.

We live in a time in which sometimes when we analyse our economic and social situations we tend to look at people as one of the factors in an over-all system, as one of the factors in production, for example, as one of the commodities to be manipulated or induced to take a particular action from the standpoint, say, of monopolies or of large-scale industry. There is a terrible danger and pressure, right now, in our time because of the corporate strength of institutions to manipulate and abuse and mislead people for some purpose, whether it is for the maximization of profits, or large corporate growth, or national prestige. If we succumb to any one of these pressures we will, of course, be providing for ourselves the most inhuman kind of society possible.

I do not apologize for the time spent in the House debating the issue of capital punishment because to me it is a cornerstone for the appreciation of human beings, men and women both individually and collectively, and if even to some small degree we can say there are certain basic principles on which the state operates, that we have a certain basic view of man that says he cannot be a means to an end, that man is always an end in himself, then we cannot even for the sake of justice think of manipulating and abusing and occasionally executing people, we will have made some small advance in the nature of our society.

What I am saying to members on both sides of the House today and to the general public is that I believe that it is terribly vital for the future sense of responsibility, security, and most of all for human dignity that we should not allow to exist in our country, and presumably as an example to other countries, not continue even in a kind of *de jure* sense, the option of the state for capital punishment. It is clear to me that we must once and for all reject the notion that people, no matter who those people may be, can be expendable. We as a state are committed in the most basic way possible to the enhancement and preservation of human life.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I listened carefully to the member who has just resumed his seat, the hon. member for Egmont (Mr. MacDonald) who, in the name of the right to live, the dignity of life, suggests that nobody, especially members of parliament, should legislate to maintain death penalty. Bill C-84 has given rise to many comments throughout Canada. In some areas of the country, some people advocate the abolition of the death penalty or the passage of Bill C-84, while in others, in my opinion, the controversy is somewhat general and represents about the same percentage across the country.

When the hon. member for Egmont says that, from a Christian point of view, we cannot interfere with a human life, I ask him then why we have jails in Canada. Why send anyone to jail? Is life emprisonment so much better than the method advocated to get rid of criminals and murderers, not necessarily in a spirit of revenge but out of respect for law and order? This is still important. When we see a red light on a street corner, it does not mean to go ahead but to stop. Someone may go ahead just the same, but at his own risk. If a car drives through the green light in the other direction, the person that voluntarily crossed the road on the red light may be killed. The red light does not say: You are going to be killed. It says: Stop. I think that capital punishment is the red light that says: You have no right to kill. If someone kills just the same, let him suffer the consequences of his action.

Mr. Speaker, I said earlier that capital punishment is a controversial issue throughout Canada and public opinion is almost equally divided. We are discussing Bill C-84 and the freedom of the members to vote for or against it. However, we feel that some instructions are given in spite of the free vote. For instance, Liberals who are retentionist are advised to stay home when the vote is taken in the House. The same thing might happen on the Progressive Conservative side, because in the present situation, people are well posted after reading press reports. The Progressive Conservatives are divided. Some are retentionists, others are abolitionists. On the Liberal side, it is the same thing: Some are abolitionists like the Solicitor General (Mr. Allmand) and the Prime Minister (Mr. Trudeau). They want Bill C-84 to become the law of the land. As far as the New Democrats are concerned, they are for the complete abolition of capital punishment.

Mr. Speaker, in spite of the pressures exerted by various organizations, not only policemen but public organizations throughout Canada, the Solicitor General sticks to his guns. He is an out-and-out abolitionist even at the cost of his seat if the government should fail to support him. Mr. Speaker, as I already suggested in this House several times, why not hold a referendum on Bill C-84 concerning the abolition of capital punishment?

I am sure the right hon. Prime Minister and the Solicitor General are opposed to a referendum because they are

afraid to go to the people. And yet they pretend to be the people's representatives. They tell us how much they like the people. But when time comes to consult Canadians on such a serious matter as capital punishment, the Solicitor General says: If capital punishment is not abolished, I will resign. I say to him that he does not even have the guts nor the slightest desire to resign because this is exactly what the people of Canada would want him to do right now. And I say that the people's attitude is not totally prompted by a desire for revenge, it is not so. On the contrary, they want to maintain capital punishment for the sake of justice.

An hon. Member: But it is for the protection of honest people.

Mr. Caouette (Témiscamingue): As I often said, we must determine whether society must be protected against criminals or criminals against society. This is the question we must ask ourselves today.

In the correspondence we get from Canadians of all regions we see they are in favour of maintaining capital punishment. Last fall, I attended hot line programs in Montreal, Edmonton and Toronto, and people were calling me from everywhere, asking me questions and giving me their views—

Mr. Deputy Speaker: Order, please. The hon. Minister of Justice on a point of order.

● (1630)

[*English*]

Mr. Basford: Mr. Speaker, I rise on a question of privilege. I understand that the hon. member has just attacked and commented on the absence from the House this afternoon of my colleague, the Solicitor General (Mr. Allmand). May I point out that while the bill is in his name I am here in the House as Minister of Justice representing both myself and the Solicitor General, who is in Montreal on parliamentary business meeting with various groups concerned with gun legislation, which is certainly no exhibition of a lack of courage.

[*Translation*]

Mr. Caouette (Témiscamingue): Mr. Speaker, I see some wise guys applauding over there. That does not change anything at all because the Minister of Justice is just as responsible for the bill as is the Solicitor General. The Solicitor General was here just 15 minutes ago with a motorcycle leather jacket, and was listening to the hon. member who spoke before me. If, on the other hand, the Minister of Justice wants to put on the hat, if it fits him, let him do so, I have no objections, but I want to continue my remarks and talk about the Solicitor General who will still have the right to speak when he comes back to the House if he is held up in Montreal today. Mr. Speaker, as I was saying, we received petitions, recommendations and suggestions from different intermediary bodies, and also from police forces. That the Minister of Justice knows, and so does the Solicitor General.

I have here, for example—and it is not so old, May 3, 1976, when the Metropolitan Toronto Police Association questioned 68,705 people and asked the question No. 1 in that letter. I believe that other members in the House received it also. It is a letter from Sid Brown, president of the Metropolitan Toronto Police Association. Here are the questions and answers. The first question is as follows:

[*English*]

Should capital punishment be retained only for the murder of on-duty police officers and prison guards?

[*Translation*]

The answers were as follow:

Yes: 4,855 No: 55,425

Not only for policemen and guards. Let us move now to question No. 2:

[*English*]

For the murder of any citizen during the commission of an intended or planned crime?

[*Translation*]

Capital punishment for those people. That is the answer of the public.

The public's answer: Yes, 55,374, to maintain capital punishment for premeditated murder; No, 8,516. That represents quite a large majority, almost 80 per cent and even more than 80 per cent.

Question No. 3:

[*English*]

Should the capital punishment issue be decided by a national vote of the Canadian people?

[*Translation*]

By referendum: Yes, 55,282; No, 3,444. So it is clear, Mr. Speaker, that those people here—the policemen's association—are in favour of maintaining capital punishment.

Question No. 4:

[*English*]

Are you opposed to capital punishment because of the method of execution used (hanging)?

[*Translation*]

Yes, 9,954 are against the hanging method but 44,258 who do not care about the way the murderer is executed, but about the execution of the murderer convicted of abominable, premeditated murder.

By the way, I might say here that we do not want to see capital punishment imposed as it was 50 or 40 years ago because at that time you ran the risk of hanging an innocent person, a man who was not responsible. But we say that in all cases of premeditated murder, when we are absolutely sure of the guilt, then capital punishment should be maintained. In all other cases we should have imprisonment sentences, but let no one suggest or make us believe that we are again going to hang innocents. The Minister of Justice knows what we mean and he knows that we absolutely refuse to hang any person when we are not absolutely sure that he is guilty. We do not want to take any risk. The case must be clear, obvious and definite.

Furthermore, we are not the only ones in this House to take a similar position. Montreal and Toronto newspapers take the same position too. However, some people in Canada do not behave this way, they go against the whole world: the Minister of Justice, the Solicitor General, the Prime Minister of Canada and some Progressive Conservatives. As for the New Democrats, they are always in favour of capital punishment. They are so illogical that they are in

favour of abortion too, in favour of killing an infant even before its birth. But once it is born, it's a different matter. The murderer who kills his victim should not be touched. This is their overall, their general policy: Kill the innocent and let the criminals, the bandits, the murderers live.

Mr. Speaker, we are not very much in favour of this theory. Now I come to Question No. 4, where 44,000 persons answer that it is not the method used which makes them endorse capital punishment in Canada. Question No. 5, I ask which method would you use? Some choose the electric chair. Others suggest the gas chamber, others poison. They suggest giving poison to an individual as you give poison to a dog; or the firing squad—

● (1640)

[*English*]

Mr. Benjamin: How about drawing and quartering?

Mr. Caouette (Témiscamingue): I will send them to you.

[*Translation*]

Mr. Leblanc (Laurier): Let them spend an hour or two in the House!

Mr. Caouette (Témiscamingue): Excuse me, I did not hear.

Mr. Gendron: Let them spend an hour or two in the House!

Mr. Caouette (Témiscamingue): My hon. friend might settle the matter during the next elections, he needs only stay home.

Mr. Speaker, Question No. 6:

[*English*]

"If you are opposed to capital punishment in any form what alternative punishment would you prescribe?"

[*Translation*]

The answer of the public: 168 suggest rehabilitation treatments and psychiatric treatments; no parole, 1712 and parole, 194. That is not really much out of a total number of 68,745. Here, 87.6 per cent of the answers are favorable to capital punishment.

When the Solicitor General or the Minister of Justice goes to his riding in Vancouver for instance to speak about abolition, I receive dozen of letters from British Columbia people who ask that capital punishment be maintained. Lately I made a sort of survey in my riding and I sent a questionnaire to all residents, not only to people I knew but to everyone. Out of 813 answers from my riding, 86.9 per cent were in favour of capital punishment. When I talk opinions throughout the country, it is about the same thing: in Toronto this percentage was very much the same—87.6 per cent; in my riding it is 86.9 per cent and in Montreal there are ridings where this figure is even higher with 86 or 87 per cent in favour of capital punishment.

Mr. Speaker, while we face all these demands and all these suggestions, we have here in Parliament a government and minister who present to the House a bill such as Bill C-84. I think honestly and sincerely, from the bottom of my heart, that these people should resign to make room for others so that we have here people who truly represent the opinions expressed by their constituents and the Canadian people. I have heard the Solicitor General repeat often that there are means other than capital punishment to protect our society. I am still waiting for these means which will protect our society. In Montreal, I do not know how many murders we have had since the beginning of the year and one hears here in the House about ways and means to rehabilitate criminals. We let a murderer loose in the street, he kills or he perpetrates a hold up. Just recently a murderer who had been sentenced to life imprisonment was released and soon afterwards was again arrested after a holdup. The judges and the lawyers do not know what to do with this kind of situation.

Recently, there was the case of a youth of 14 who had not been sentenced to death but had committed a holdup in a small shop with a loaded gun. The owner defended himself and killed the youth of 14. But then the judge gave him a lecture saying: "Do not you think that for a theft of $40 you went just a little too far. It is the judge's intelligence which dictated those words to him. If the amount stolen had been $40,000, that would have been beter. It is not the amount of dollars stolen from the grocer which is important but the fact that the young boy was armed to the teeth. If the small shopkeeper had not defended himself, he would have been killed. But the judge did not think of that. "Do you not think that for $40 you went just a little too far?" Our judges must be naïve to say that in court to someone who tried to save himself but is treated like an idiot by a judge who thought himself intelligent.

Mr. Speaker, I do not know if I shall be charged with contempt of court, but if the judge finds that the shoe, fits, let him wear it. There is a limit, after all. The police are hindered, they have to cope with gangsters all year long. One is arrested, put into prison, two hours later he is out on bail. He is charged with murder, but is told: Your trial will take place only in July, so you are released. Give us $25,000 bail on property or ask your aunt or uncle to sign the form. You meet the guy on the same street, the same sidewalk, in front of the same policemen. What happens? We see what happens in Montreal. Montreal is not the only city.

An hon. Member: That is most exaggerated.

Mr. Caouette (Témiscamingue): No! Listen to that, "exaggerated". Come with me and I will show you.

Mr. Speaker, the hon. member for I do not know which constituency does not know that these guys are released almost immediately after they are arrested. Young offenders do not stay two hours in prison after robbing right and left, sometimes ten or twelve times in a row. They are brought before the court, and they are told immediately: For rehabilitation, we take your word. Do not commit the same offences! And he is immediately sent back in to the streets.

● (1650)

Mr. Speaker, we talk a lot about Montreal but the same happens in Toronto. We find the same thing in Regina and Vancouver. There is a shortage of justice at the present time. We pass—

Mr. Benjamin: On a murder charge?

Mr. Caouette (Témiscamingue): We pass—Any charge! We pass regulations, we pass laws and the governments are first in failing to enforce them. We have seen this! These days, especially in Montreal, since it is in our province, we hear every morning, on the radio, on all open-line programs, people objecting to the abolition of capital punishment not because they want vengeance, but because they want justice. They are afraid to walk freely on Sainte-Catherine street or any other street in Montreal. The representatives of Montreal ridings know it. The hon. member for Laurier (Mr. Leblanc) knows it. Everyone complains and here, in Parliament, the Solicitor General, who comes from Montreal and is aware of it, would, if he took a referendum or made a survey in his own riding, obtain exactly the same results as we do. But he persists in saying: I favour the abolition of capital punishment. Mr. Speaker, let us look at the surveys made among members of Parliament. In *La Presse*, in an article by André Ouimet, in the Parliamentary Bureau, in the Ottawa *Journal*, we find the following:

Death penalty will be abolished

This shows the results obtained after interviews with members of parliament. This article says, and I quote:

[*English*]

A recent Gallup Poll showed that 69 per cent of Canadians surveyed favoured a complete return to the death penalty—not only for murdering prison guards and policemen but also 'any innocent person.'

[*Translation*]

This has been done here in Ottawa, and everywhere in Canada we have obtained 69 per cent. In fact it is 70 per cent; I would say it is more than that, it is 86, 87 per cent. Mr. Speaker, why is the government afraid of the referendum? Because it knows it would be beaten on that issue. We have here a letter from a concerned Canadian from Edmonton in Alberta who is in favour of maintaining capital punishment. This letter originates from Mr. M. Marleau from Edmonton. The Solicitor General has a copy of it. This letter states: "Mr. Stanfield knows Peter Lougheed". It is addressed to the Attorney General of Alberta, to the RCMP Commissioner, to Chief Constable R. Lunney, and to myself. Here again, it states clearly—

An hon. Member: You are important!

Mr. Caouette (Témiscamingue): Yes, that is right! But I am telling you about it because if you are not hitting the headlines, you will at least know what those who do receive on the Liberal side. Mr. Speaker, about letters and articles in favour of maintaining the capital punishment, I have a letter here from Sudbury, Ontario. It is not far from the place of one NDP member. I have another one from New Westminster in British Columbia, Dr. Calverly who says:

[*English*]

Dear Sir:

We are trying to recommend that you decide upon and vote in favor of retention of the death penalty. We also recommend that you use your influence to ensure that it is implemented where there are no extenuating circumstances to warrant stay of execution.

[*Translation*]

He even is against changing rulings, against exemptions.

[*English*]

More humane and acceptable methods than hanging should also be considered.

[*Translation*]

He is against hanging but for capital punishment.

[*English*]

Both of us were born and grew up in the heartland of Canada. We are well qualified psychiatrists who have spent the past twenty-five years interviewing and treating Canadians from all walks of life. We feel that this background and experience qualifies us to offer you an opinion on this subject, and that we have both a professional and social responsibility to do so.

[*Translation*]

Mr. Speaker, this letter comes from New Westminster, British Columbia. It is signed by Dr. M. O. Calverley and M. R. E. Helgason, also a physician. There are also two psychiatrists—

[*English*]

Mr. Gilbert: They bury their mistakes.

Mr. Caouette (Témiscamingue): Oh, yes; you are much better than the doctors in this country. I know they can make mistakes as you are making a mistake right now.

[*Translation*]

Mr. Speaker, the New Democrats are always wrong.

[*English*]

You always think you are right but you are never right.

Here is a letter addressed to Mr. Réal Caouette, Parliament Buildings, Ottawa. It is from a United Church woman.

[*Translation*]

This one comes from the United Church Women and I am not too sure whether or not the hon. member who spoke before me is not a United Church Women "preacher" as we say.

[*English*]

Dear sir:

I have noticed your excellent stand on behalf of capital punishment and am taking the liberty of sending an extract from the book of Dr. Emil Brunner on the lex talionis. This throws new light on a great law which has been criticized by the abolitionists of the death penalty.

Do you think that a man who herds 30 people into a restaurant closet in Montreal and causes their deaths deserves to go on living?

[*Translation*]

Mr. Speaker, this letter was dated in late March: Thanking you for your help. She is a member of the United Church Women. I have another one here from the Church of Pentecostal Assemblies of Canada dated April 30 and signed by Mr. Charles Yates, General Secretary, about Bill C-84. He gives a complete list of the various areas where churches are working in cooperation with this one and where they ask for the retention of capital punishment. In the province of Quebec the situation was different. I even think that the synod of Catholic Bishops asked for the abolition of capital punishment. It is their right. As a Catholic, I am for the retention of capital punishment. When I was a little boy at the primary school and later in college I was told that murderers should be hanged, that there was no other solution. It is none of my business if those people changed their minds today but I did not change my mind. I am still convinced—

An hon. Member: They have become more civilized.

Mr. Gauthier (Roberval): This is called the degradation of evolution!

Mr. Caouette (Témiscamingue): This is what degradation of evolution is. We see it in full evolution. We see now what evolution is, with the members of the common front in the province of Quebec. If capital punishment came from them, it would be good but as it does not, it is bad. Inasmuch as their own carcass is preserved, it is right. If by misfortune the carcass is a little disturbed, then they switch, period.

Mr. Speaker, the Prime Minister—

[*English*]

This is a transcript of the Prime Minister's interview with Mark Raines, M.P.

[*Translation*]

—on February 12, 1976, when the Prime Minister was in British Columbia, he was interviewed on television by Mr. Mark Raines and he said this:

[*English*]

MARK RAINES: It's not a crime to murder a politician in cold blood.

PRIME MINISTER: . . . or a housewife, a mother of several children. No, I think my position on this, and it may have been misreported, is not one of conscience. I think society has a right to defend itself unto death, just as in self-defence you're allowed to kill somebody who's trying to kill you. If society could only survive by hanging those that were trying to destroy peace and security then it would be permissible.

[*Translation*]

The Prime Minister said this in British Columbia. Here, in Ottawa and in the province of Quebec he does not say this at all. In the province of Quebec he says: I am in favour of the abolition of capital punishment. In British Columbia, he said to a reporter who was interviewing him:

● (1700)

If it is dangerous for society, I suggest that capital punishment should be reinstated.

[*English*]

But to me that's a practical judgment, as the judges make all the time when one pleads self-defence. If you kill somebody in defence who was only going to box your ears, you know you've used too much force and you're guilty. If you kill somebody in defence who's trying to kill you then you're exonerated. I think society is in the same position. If we hang people who are really destroying a society, then we're allowed to do it.

[*Translation*]

Mr. Speaker, these days I think that some people, particularly in the common front, should not have it as easy as they do now. When one gets to the point where he challenges the law or tells people: If we do not like the premier of the province of Quebec, we will throw him in the Lachine canal to get rid of him. An exasperated, offended, mad guy who is quite prepared to drown the Quebec premier if he does not win his labour-management dispute against the Quebec government, it is simply anarchy that seems to grow ever stronger in the province of Quebec.

It is unfortunate, but we have come to encourage violence and violence arises from something: a general relaxation of discipline. We have forgotten to enforce the law. Parents are told: Listen, if your children do wrong, do not spank them. Don't! Because this is not a nice way of punishing them. With all these changes, we have come to the point where children challenge their parents and show total disregard for them, where teachers have no more respect for school boards, where school boards have no desire to respect governments. We are now living in a kind of condoned anarchy, a kind of anarchy that is even encouraged in certain areas by those people who think they represent the public's views.

Mr. Speaker, there is violence on television, in movies, over the radio, in theaters, there is violence left and right. And we wonder why at 12, 13, 15 and 16 our young become so violent. Unless we give our young people principles of public morality, a sense of respect for authority and discipline, certainly our society will not be worth much within 10 years from now.

To uproot violence, there need only be some true respect for the law.

Mr. Speaker, we are living in a violent society where everyone is frightened. Provincial premiers are frightened, in Quebec like everywhere else; ministers are not safe. Threats are made by telephone and by letter. People throw all sorts of things. We see what is happening throughout the world, in Beirut, in Africa, in all countries or nearly all, there is violence, nearly nothing is tolerated, people kill each other.

Here, in Canada, we watch what they do. Everyone admits that these people behave wrongly, that they should not use violence. We admit this, but we let our society go towards exactly the same situation as that which exists in those countries. In Montreal, union leaders like Charbonneau, Pépin, Laberge and others, or about half a dozen men, are responsible for what is now happening and what will happen in 5 or 10 years. Mr. Speaker, these men have no respect for anyone. They do not respect the law. They do not respect any member of parliament or any politician. Let those people form the government, and then we will see purges the likes of which are seen in the U.S.S.R., Czechoslovakia and other communist countries.

Mr. Speaker, we do not need those people. We want to protect society. But let us protect this society concretely.

That is why I appeal to the government, to the Minister of Justice and to the Solicitor General not to force the Montreal Liberal backbenchers to hide when the time for voting will come.

In hope that in a month or two when the debate is over people will not run away to Montreal to avoid voting. But I am afraid of that. They call it a free vote to throw dust in the eyes of the people of Canada, but when the time to vote comes, people run away. There is a reception, something here, something there, and they do not vote at all for or against the abolition of capital punishment.

And the people from Montreal, you know, even from Sherbrooke, know quite well that the people are in favour of maintaining capital punishment in a proportion of 80 to 90 per cent. The ministers are under some occult force pushing in favour of abolition of capital punishment—someone is pushing for sure—it is up to us members of Parliament not to push but to face the music. There will be no pushing but let the Liberal members in their caucuses tell the ministers squarely: You people, your Bill C-84 is not going to pass. The election, we will cope with that. It

will be a lot easier for you to get reelected by voting against abolition of capital punishment than in favour. It is the same thing for Progressive Conservatives.

Mr. Speaker, in conclusion, I want to say this: In my party, the Social Credit Party, we are 11 members and we all advocate retention of capital punishment, not in a spirit of vengence, no, but in a spirit of justice. If a man is so heartless as to attack the life of another, he should be prepared to put his own life on the line. He is well aware of the existing law, he knows it, if he wants to defy it, let him pay for the damages, that is justice and order . . .

An hon. Member: Will you be here to vote?

Mr. Caouette (Témiscamingue): I hope so. If I am in hospital, I shall be unable to be here to vote. My hon. friend knows very well that I shall vote to retain capital punishment.

Mr. Pelletier: That is because you believe it!

Mr. Caouette (Témiscamingue): Yes, it is because I believe it.

Mr. Pelletier: We can believe something else.

Mr. Caouette (Témiscamingue): No, you should believe what your constituents tell you to believe. In your riding, 80 per cent of your constituents are in favour of capital punishment.

Mr. Pelletier: We have brains to use them.

Mr. Caouette (Témiscamingue): Yes, I understand. But your voters were not intelligent when they elected you. It is one or the other.

Mr. Speaker, the hon. member will go back to his riding—he knows full well I am not lying—where his electors are in favour of retaining capital punishment. I am convinced they will watch how he votes in this House. The hon. member is answerable to his electors, not I.

Mr. Speaker, the hon. member will have to manage with his electors but I say, in the province of Quebec, the people expect us to vote for retaining the death penalty and I say that, in the other provinces in Canada, in Toronto, in the maritime provinces, even in Saskatchewan, British Columbia and Alberta, everywhere, and to the same extent, the people want or recommend retention. That is exactly what we are going to do and I ask hon. members who are really free, to vote for maintaining the death penalty.

[*English*]

Mr. D. M. Collenette (York East): Mr. Speaker, it is quite novel to be able to take part in a debate which is entirely non partisan, for a change. I think that is a crucial point to make, especially for this side of the House, because there is considerable opinion throughout the country that this bill to abolish capital punishment is a partisan move by the Liberal Party. Although retentionist resolutions have for many years been rejected by national Liberal conventions, I think that rank and file members of our party throughout the country are seriously divided on the question, at least as divided as hon. members on this side of the House.

The question posed in Bill C-84 is not one of government program and not one in which the Prime Minister (Mr. Trudeau) or the Solicitor General (Mr. Allmand) are forcing their own convictions down the throats of their colleagues. Rather, it is a question of conscience and a question of moral choice to be exercised in one's own right.

However, I must emphasize one small point of procedure in the debate on this matter which has been alluded to by the hon. member for Yukon (Mr. Nielsen) and was substantiated in the question period today. It is unfortunate that members of the Treasury benches have been denied their right to make this moral choice because of cabinet solidarity. This has tended to confuse public opinion and has tended to give the impression that Bill C-84 is a Liberal bill. As we shall see often in this debate, this will be a very free vote, so free, in fact, that the Leader of the Opposition (Mr. Clark) and the former leader of the opposition will vote for the bill, along with many of their colleagues. The list of speakers on this bill is long, and like the hon. member for Egmont (Mr. MacDonald) but unlike the hon. member who preceded me, I do not propose to take my full time in the debate.

I should like to deal with two aspects of capital punishment, first in the context of the present social and economic climate, and second with due respect to the hon. member for Egmont, in the context of the rights of the state to exercise absolute power over the life and death of the individual.

Let us look at the current climate upon which present public attitudes toward capital punishment are based. It may be remembered that immediately after the second world war public opinion favouring retention was as high as present polls indicate it is now. And no wonder, for two generations had come to be brutalized by the effects of two world wars. Death on the battlefield, on the seas, and in the skies was an everyday occurrence. The enemy was to be killed; it was a matter of survival.

Capital punishment polls in the late 1940's were a spillover from the hostilities of the war and reflected the cynicism and despair of the era. No wonder that sensitivities to the human condition were blunted.

● (1710)

However, post war prosperity returned Canada to normal. Pockets were full, bellies were full. And we all know, Mr. Speaker, that when one's pockets and one's belly are full, one is more considerate, compassionate and tolerant—considerate, compassionate and tolerant toward all beliefs, to all races, to all creeds, and even tolerant toward

deviant behaviour which, I believe we would all agree, has a sociological rather than congenital origin.

Attitudes toward retention of capital punishment softened in the late 1950's and 1960's. Yet over the past few years these attitudes have once again changed. Why? To explain this, Mr. Speaker, one need only read the debates in this House over the past few years.

Our mixed economy, which has been so successful for the past 30 years, has suffered severe reverses. I do not have to dwell upon the evils of stagflation and the pressures of urbanization that have rocked this country of late because the problems are familiar to us all, and all sides of the House have been grappling with their resolution.

It is my contention, Mr. Speaker, that communities or individuals when threatened tend to harden positions, to resent authority, and to disrespect abnormal points of view. This is what has happened in Canada and it is a terrible shame. Despite economic problems, Canada has weathered the storms of the past few years. Unlike some of our major trading partners we have not seen living standards decline, we have not seen massive unemployment, and we have not seen an absolute erosion in investor confidence within our country.

Yet Canadians have become an angry mob and we all know, Mr. Speaker, the dangers of the mob and mob rule—quick response to irrational impulses, lack of mercy and instability prey upon the weaker elements within the society. So we hear cliches like, "There are too many immigrants coming to Canada, too many non-whites"; "Our education system has fallen apart and is producing illiterate and undisciplined students", "The morals of young Canadians are depraved"; "Let's bring back the strap"; "Criminals are running loose on the street"; "It's not safe to go out on the streets at night"; "Criminals in prison are treated like hotel guests"; "M.P.'s are feathering their own nests with a salary increase"; "All politicians are crooks". Mr. Speaker, scapegoats are easy to find in hard times.

Of course protection to the individual in society must be given, as the hon. member for Ontario (Mr. Cafik) has so eloquently stated. Bill C-83, now before the committee, is a step toward improving that protection for all Canadians.

The popular view in my constituency and the Toronto area in general is to put the question of capital punishment to a national referendum. This would certainly mean rule by the people in the literal sense; but the passions of the people run high. For me, the spectre of the disorder on the streets of Paris in 1792-94 develops in the scenario of a nation governed by referenda.

Countries that revert to putting questions to referenda often find that more problems are created than are solved. The Canadian referendum of 1944 on the conscription issue intensified racial and regional opinion and created tremendous difficulties, difficulties which were only spared the government by the conclusion of the war. The same analogy may be drawn with the 1975 United Kingdom referendum on the European Common Market, and the recent Italian referenda on divorce and abortion. Indeed, Mr. Speaker, it could be argued that the results of the recent Italian referenda have helped to destroy the unity of the Christian Democratic party and precipitated the present political instability in Italy.

Like the hon. member for Greenwood (Mr. Brewin) I will take my chances with the theory of representation as clearly enunciated by Mr. Edmund Burke, and followed by many politicians in this House and the British House over the past 200 years.

To summarize my first point, I believe the present hawkish attitude toward capital punishment is a product of the social and economic environment in which we now find ourselves. Of course there are those who are for retention as a result of conviction, but there are those in the Chamber who are being stampeded by opinion polls and constituency surveys. These members are doing the community an injustice. More than that, positions of convenience betray the very ethics and essence of the high office to which we in this Chamber are elected. No, Mr. Speaker, the Solicitor General is right—our efforts must be directed to better protection of the individual and property, better methods of crime detection, and further empirical research on the psychological and sociological courses of crime.

The second aspect of capital punishment with which I propose to deal is to put the matter in the context of the state's right to have absolute power over the life and death of the individual in society.

The state embodies the collective will, but it must be remembered that in the final analysis each individual will is paramount. The ultimate responsibility of the state is to protect the rights, the person, and the property of each of its constituent members. The fundamental right of each individual in society is the right to life, and any abrogation of that right must be rare and impeccably justified, not only in criminal law but in natural law.

History is littered with examples of tyranny by the state. The power of the state is omnipotent and must be checked at every turn. Even in this great country, the state's record has not been unblemished when it comes to protecting the rights of the individual. Look at the treatment of our native population, the treatment of aliens in the second world war, and more recently the War Measures Act.

The state on short notice can become the most ruthless element of repression; the state that can legally terminate the life of a criminal can, under duress, terminate the lives of other socially "unacceptable" people. Look around the world, look at Greece under the generals, Brazil, Chile, Cambodia, Rhodesia—the globe is rife with régimes that commit repression and assassination in the name of the state. Look back 40 years and see the extermination in the Nazi death camps, legitimized by a frenzied whipping up of the collective will.

I know the immediate response to these arguments is, "Oh, that can't happen in Canada". Those who believe this wear blinkers and have no appreciation of history. Think of Argentina, the most sophisticated of Latin American countries 30 or 40 years ago and look at her now—rampant political kidnapping and assassination—the politics of witchcraft. Think of Lebanon—only three or four years ago—the progressive, economically vibrant outpost in the Middle East, shattered by internecine struggle—jungle warfare in concrete urban canyons, moods can change overnight. No, Mr. Speaker, democracy and respect of

individual rights require constant vigilance. The state that can kill one of its own once can kill a thousand times thereafter.

At the risk of digressing somewhat from the actual provisions of the bill, I should like to argue further that the abolition of capital punishment and its inherent implication of sanctifying the right to life can be linked to another question that is currently before the nation and another that is waiting on the political doorstep. I refer of course to the questions of abortion and euthanasia. I do not want to go into the substance of these questions, but merely point out the principle involved in abortion and euthanasia in my mind is the same as the principle involved in the matter of capital punishment—the right of society to make a subjective moral judgment as to the value of continuation or termination of a life. For this reason, Mr. Speaker, I am absolutely against euthanasia for any reason, and abortion as a method of birth control by the parent or the state. Furthermore in each of the three issues the possibility of any metaphysical factor cannot be discounted, cannot be disproved, and as with our concept of justice must be given the benefit of the doubt unless otherwise established.

In conclusion, Mr. Speaker, I should like to say that although I have tried to take a fresh approach to the question of capital punishment, that does not mean that I do not agree with the standard abolitionist arguments as admirably spelled out by the Solicitor General, my colleagues, the hon. member for Ontario, the hon. member for Egmont, and the hon. member for Greenwood. Capital punishment is not a deterrent; the possibilities of an irreversible injustice are real; and the existence of the "final solution" intimidates juries in capital cases, resulting in the unjust mitigation of sentences and even outright acquittal. I therefore support this bill wholeheartedly.

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, when I last spoke on the capital punishment issue in this House on May 22, 1973, I supported the extension of the trial period of partial abolition for a second five-year term ending in 1977. That trial period will not end for 20 months. Now we are suddenly confronted with a bill that would abolish the death penalty completely. It is impossible to evaluate the effectiveness of the trial period since the federal cabinet, in commuting every death sentence put before it, has thwarted the very intent of the partial abolition step.

It might seem that, as one who hopes that Canada will one day be an abolitionist country, I would welcome this bill. But I do not. The government's action in bringing in a total abolition bill now is an underhanded way of evading its responsibility in carrying out the present law. It will be impossible to build public support for total abolition while the public thinks that the enforcement of present laws, including the partial abolition law, is too lax. We must move forward slowly, surely, and honestly if real progress is to be made.

● (1720)

Canada is not ready for total abolition. A chief reason is the growing crime rate combined with the government's ineffective dealing with crime. Violent crime in Canada increased 90 per cent in the ten year period 1965-74. In 1965 there were 243 murders in the country; in 1974, 545. The murder rate in this period has doubled from 1.2 per 100,000 population to 2.4. Despite the fact that 38 policemen and jail guards were murdered in this same ten year period, no convicted murderer has been executed. Is it any wonder that the public is upset? Far from there being support for an abolition bill there is a strong demand for retention of full capital punishment.

Public confidence in the administration of justice is further weakened by the parole system. The actual time served in prison by 42 murderers paroled between 1968 and 1974 averaged only 13.35 years. In 1974 alone, 1,019 temporary absence permits were issued to inmates convicted of capital murder. It should be clear to all of us that the public does not want convicted murderers paroled in an average 13 years, or out on day passes. The public has a perfect right to demand the highest standards of safety in society; what the public sees is growing crime and weak law enforcement. It is in this climate that the government introduces a total abolition bill. What grotesque timing!

Much as I desire abolition, I cannot vote for it at this time. It is not sufficient in parliament to vote for a principle regardless of the applicability of the principle. It is clear to me that abolition would seriously divide the Canadian people in a way that would risk the credibility of both law and the democractic process. In other words I cannot isolate the principle of abolition from real conditions in our country. The reality is that it is better to keep capital punishment in limited cases than to rush total abolition and diminish respect for the law.

I fall back on Aristotle for my guide in this judgment. He writes in Politics: Book IV:

> The best is often unattainable, and therefore the true legislator and statesman ought to be acquainted not only with (1) that which is best in the abstract, but also with (2) that which is best relative to circumstances".

I believe Aristotle is telling us here that we ought not only aspire to the ideal but take account of circumstances, and even be prepared to preserve an inferior type of law if necessary.

A capital punishment debate always raises the question of an MP's conscience. Should the MP always follow the wishes of a majority of his electors even when his conscience would lead him in an opposite direction? We are dealing here with the highest question members of parliament can face, the question of life itself. We cannot slough off our responsibilities in the guise of adhering to questionable public opinion surveys. We are responsible to our constituents and to parliament itself to use our best judgment in resolving the capital punishment issue.

The people who sent us here must be able to evaluate our reasoning process. To insist that the MP always vote the popular opinion would be to turn him into an automaton. On the other hand I do not regard my right to enter the House of Commons as a licence to do whatever I want. I accept my responsibility to my electors, but I interpret that responsibility as one in which I should form unbiased opinions and come to mature judgments as best I can.

I have the greatest respect for those many constituents who press on me their belief in the reinstatement of full capital punishment. Their argumentation contains within it the frustration at seeing the murder rate climb and

murderers freed after 13 years. But it does not follow from this that full capital punishment is the answer. In fact the evidence in support of capital punishment as a deterrent to murder is inconclusive. The answer lies rather in a firm and fixed sentencing for violent crimes, a tightening of the parole system, effective gun control legislation, and a rooting out of the causes of violence.

Only when the public has confidence that such measures have been put into practice, resulting in a discernible decrease in the crime rate and a resulting increase in the feeling of safety in society, will the public generally be ready to consider abolition on its own merits. This is the argument I put before the Solicitor General (Mr. Allmand) in a letter last July 11 when rumors began about a new peace and security program. I urged the Solicitor General to demonstrate his commitment to justice by strengthening law enforcement without touching the present capital punishment law. I said it was wrong and divisive to couple a crime prevention bill with total abolition. Put crime prevention into place, reassure the public about the enforcement of law, and only then reopen the capital punishment question. Of course, Mr. Speaker, my suggestion resulted in just the opposite course by the government.

Immediately following Bill C-83 on crime prevention we now have Bill C-84 on total abolition. The government has made a package of the two. Bill C-83 is not even out of committee where considerable improvements in it must be made. Yet the government is rushing abolition.

I have therefore to ask myself why the government could not wait until the expiration of the present capital punishment law before introducing abolition. The only conclusion I can come to is that the government wants the successful passage of abolition now to remove the distasteful duty of considering the commutation of 11 convicted murderers now awaiting execution—three of them now past the judicial appeal stage, scheduled for July 15, 1976.

The government has the statutory right to commute death sentences, but more commutations would convince the public beyond all shadow of doubt that the government will not carry out executions, which is tantamount to ignoring the intent of the present law which provides the death penalty for those convicted of murdering policement or jail guards. The government ranks will clearly be split on carrying out executions; a storm of political protest will erupt if the present law is seen to be continually ignored. Therefore the government has taken the expedient course of changing the law, and moreover, getting this change out of the way well before the 1978 election so that, hopefully, the public will have forgotten such legislative manipulation.

The issue we face at this time, Mr. Speaker, is not the pure principle of abolition, but respect for law and the legislative process. The government has so muddied the waters that a vote against this bill cannot possibly be construed as a vote against the principle of abolition. It is rather a vote against legislative expediency and manipulation. It is a vote for justice. Only justice being done now, and being seen to be done, can prepare the way for an abolition bill in subsequent years that will be capable of winning public support in a calmer atmosphere.

What is the proper course for the government? It should apply the crime prevention bill as improved in committee, and then extend the present capital punishment law for a third five year period. Let the public judge, on the evidence of its application, whether it is a good law. Only then should we be asked in parliament to make a definitive judgment on whether this country should live under an abolition or a capital punishment law. But free us from political machinations in such a deeply moral question. The common good demands that we take more time in coming to a final answer.

● (1730)

I want to emphasize that I will continue to work toward those circumstances that will ensure the viability of an abolition bill. I believe in a morality which excludes violence as permissible conduct. The sanctity of life is my starting point. When a murderer violates the sanctity of life by an act of violence on his victim, how is the sanctity of life preserved by another act of violence on the murderer, this time by the state? If we accepted execution as retributive justice in an earlier period, we should be thankful that society is becoming more sensitive and that there is a movement throughout the world for total abolition. I believe that in Canada, through the tolerant and patient application of the law, we can employ more effective means of protecting society against all crime, including murder.

Mrs. Ursula Appolloni (York South): Mr. Speaker, I regret I should have to follow the speech of the Pontius Pilate on the other side of the House.

Of all decisions we as legislators are called upon to make, surely this one is the most vital. We are, quite literally, being asked to decide between life and death. Mr. Speaker, my personal decision is to choose life.

I believe that to take human life is an action most foul. To take it in the name of the state does not, in any way, diminish the hideousness of that action. Only self-defence, in the most extreme of circumstances, could possibly justify this brutal, irrational and irrevocable step.

Would capital punishment act as a defence mechanism? Would it protect society? If we are to judge by statistics, then the answer is no. The possible deterrent value of capital punishment has been exhaustively studied. Staggering statistics and data, collected throughout the world, indicate a contrary value.

To place the matter nearer home let me point out that our policemen, unlike their U.K. counterparts, are armed. Criminals know, therefore, that in attacking our policemen, they face what could be in effect summary execution. That they are not deterred by this risk is evidenced by the sad number of murdered policemen.

In attempting to eradicate disease among humans it never occurs to civilized people to eradicate the diseased persons. Murder too is a plague, the most virulent of all social malaises; but in seeking to stem its proliferation I feel we should look carefully at its causes and work with all our might towards its prevention. This, then, would be the ultimate defence of society which must be our primary aim.

Greater minds than mine have studied, and continue to study the causes of violence. The death penalty itself breathes an atmosphere of violence into the society which

uses it. Capital punishment stands for and teaches the moral that human life ceases to be sacred when its usefulness is questioned. This is a particularly dangerous lesson in troubled times such as ours. What our time cries for is a lowering of the level of violence in our society.

I mentioned causes of violence and there are many, but by and large I believe that violence is to a great extent the product which results from the placing of too little value on the worth of life. Those who truly respect life do not take it. The antidote for violence is therefore to emphasize the worth of life.

There has, alas, been an unhappy increase in the rate of violent crime, but there has been a parallel increase in the incidence of violence in our physical and cultural environment. The atomic bomb which was heralded as the culmination of scientific genius by its makers, brought to the survivors of Hiroshima the macabre spectre of on-going contamination and debility. From there we have moved to another, less dramatic, but more insistent seeping of violence—the kind we see daily on our TV screens—a cultural nourishment fed in indiscrimate doses to our children. Are we, as parents and educators, so innocent of our offsprings' guilt?

One of my favourite Canadian authors, Eric Nicol, has summed up the situation much more eloquently than I could:

> The person who actually pulled the trigger, must accept his share of the guilt, but how large that share is, no one has established with any degree of accuracy. This is why justice is such a distant relative of law and order. For starters the condemned should be accompanied to the gallows by Mum and Dad. Something went seriously wrong between the cradle and the noose. Somehow the cuddly little kid got transformed into "an animal". The chances that his parents are totally innocent, genetically and sociologically, in that strange metamorphosis, are extremely remote. Okay, so we have the killer, Ma and Pa in the death cell. Maybe Grannie and Grandpa too—right? There is still lots of guilt to go around. For example, should we not demand a share of the death penalty for the mongers of violence? The cold-eyed characters who push TV violence like Kojak and Cannon, and the motion picture violence of the various "Godfathers", "Mandingo", "Rollerball", "Jaws"—how do you measure their cumulative effect on a susceptible mind?
>
> The trap-door is getting a bit crowded. The hangman can use the services of a commissionaire to handle the queue. Yet the list of the guilty is barely begun, even after we include those of us who shout "Kill Him". At the football game, then look shocked when one of our team's linemen relaxes by dismantling a civilian. The prisoner strapped to the electric chair affords only so much room for others to sit on his lap. But we cannot, in all fairness, omit the culpability of developers, urban planners, politicians and others with a vested interest in the kind of depersonalized environment that abets the crazed sniper on the roof of the high rise, the senseless strangling in the park. We may wonder how a society can become so dichotomous in its philosophy as to see determinism as the main factor in illness, unemployment, divorce, abortion and a host of other crying shames, yet sees the killing of a policeman as 100 per cent an act of free will. Perhaps the answer is that society is so uptight with the frustrations of daily living that many of us are frantic for a sacrificial goat. Hang a few people, they feel, and maybe we can arrest the decline and fall of our mutual fund. If we can't kill inflation, dammit let's kill SOMEBODY!

Now let us look at those who have paid the supreme penalty in a society very similar to ours. Are they usually the well-educated, the well-bred, or those who can fully afford the luxury of expensive legal ingenuity, well versed in plea bargaining? An examination of sentences imposed by California juries in first-degree murder cases over an eight-year period in the 1960's revealed that 42 per cent of the blue-collar workers convicted of murder received death sentences while the comparable figure for white-collar workers was 5 per cent. Does this imply that people have died only because they could not afford a lawyer who was specialized and highly skilled in criminal defence? Discovery and proof of mitigating circumstances and the rebuttal of evidence of aggravating circumstances may require costly investigation.

● (1740)

With reference to this latter point, former Governor DiSalle writes:

> I have never seen a person of means go to the chair. It is the well-heeled gangster, the professional killer who can afford the best legal talent to defend him, who gets off with a lesser sentence. It is the poor, the illiterate, the under privileged, the member of the minority group—the man who, because he is without means, is defended by a court-appointed attorney—who becomes society's blood sacrifice.
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> The court-appointed defender, diligent though he may be, is always handicapped. Sometimes he is inept—there is no criterion of experience in criminal law to guide a court appointment—and always he lacks the staff and funds available to the prosecution. Without funds and personnel to investigate the backgroud of jurors and witnesses, to check alibis and examine the evidence before trial, the court-appointed attorney and his client have two strikes against them before they even enter a plea.

Then, of course, there is the possibility of error. Which of us does not shudder to remember the fate of Timothy John Evans who, in 1950, was hanged in Britain for murders actually committed by John R. Christie? Sixteen years later society acknowledged its horrendous mistake and granted Evans a posthumous pardon. His body was then exhumed and finally laid to rest in consecrated ground. Cold comfort!

Perhaps Canada can benefit from the experience of other countries and recall a statement made by the Belgian minister of justice in 1930, after 67 years of abolition of capital punishment:

> The lesson has been learned that the best means of inculcating respect for human life is to refrain from taking life in the name of the law.

I would like to rebut yet another argument frequently advanced by retentionists who hold the view that a 25 year mandatory jail sentence is less humane than the death penalty. But is it really? To put forward such a thesis is surely to debate the quality of life, but is this not a secondary consideration if the primary requisite, life itself, does not exist?

Mr. Leonard C. Jones (Moncton): Mr. Speaker, I speak on this subject of capital punishment having knowledge of murder cases in my own constituency. Upon reading Bill C-84, which proposes to abolish capital punishment for persons convicted of murder and to replace it with a sentence of so-called life imprisonment, I have found it to be merely another instance in which the federal government has chosen to disregard the rights of truly innocent citizens.

Where is the conscience of our government and its officials? Continually they overlook public opinion. Today I have heard people reacting to public opinion in the wrong manner. Public opinion is very important, but in this instance it has been overlooked. The government is overwhelmingly ignoring the obvious wishes expressed by the majority of constituents across Canada. The petition pre-

sented to the House of Commons on May 1, 1975, attracted little respect and much contempt in this House.

Being from a city which has experienced first hand the tragedy of savage and brutal premeditated murder, it is not difficult for me to understand why my constituents are so forcefully demanding the full reinstatement of capital punishment. The common arguments supporting this view may seem rather meaningless unless you have been personally involved and have seen the effects of such violence on a total community. What would be your reaction, Mr. Speaker, if this press release, which I quote in part referred to members of your family, neighbours, or fellow citizens?

Two slain Moncton police officers may have been ordered to dig their own graves, found the digging tough in frozen ground, and moved elsewhere. The two were found buried in shallow graves Sunday, shot through the head and wearing handcuffs. One handcuff was not fastened in each case. The bodies were found buried on a hilltop near a spot where two graves appeared to have been started, but not finished. The policemen's revolvers, portable radio and other articles were found by the unfinished diggings.

Two other "diggings" had been found near where the revolvers were located, but police could not speculate on who had apparently tried to dig at that spot. The two policemen, one a 47-year-old father of four and the other a 33-year-old father of two, had been missing since early Friday when they stopped to inspect a car suspected to have been involved in . . . kidnapping.

Certainly situations such as this one require more than the 25 year sentence suggested by this bill. Should the life of one who threatens society be preserved when individuals of this kind have so painstakingly planned the death of two innocent victims? Surely there is no means of rehabilitation which could instil in the mind of a murderer a conscience, the element of mind he obviously so severely lacks. Surely we must realize that a mere 25 years of free room and board are no deterrent, and definitely no solution, to such a grave problem as murder.

Let us pause for a moment to consider this situation. A person has committed murder and been sentenced to 25 years. This offers society, at best, a questionable and doubtful partial and temporary security from the killer. Having the greatest incentive to try and escape—and escape they do—it is not unlikely that in doing so two or three guards could be killed. What is to stop the prisoner from successive murders of this nature? Certainly the threat of another prison sentence, added to what already seems an indeterminable length of time, has no restraining power over an individual capable of murder.

The thought that to take the life of another would ultimately bring the destruction of his own being would most definitely produce an obstruction in the mind of the murderer, a mind in which the only element dear to self is self. Let there be no doubt then that the death penalty is a deterrent.

Let us turn to some numerical facts with regard to this matter. Disciples of and adherents to abolition constantly use the argument that during the period between 1957 and 1970, while capital punishment was a written law in this land, murders increased from 129 to 420—

Mr. Speaker: Order, please. Perhaps the hon. member will be permitted to continue at the next resumption of this order.

THE ROYAL ASSENT

[*English*]

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

Mr. Speaker, the Honourable the Deputy Governor General desires the immediate attendance of this honourable House in the Chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate Chamber.

[*Translation*]

And being returned:

Mr. Speaker informed the House that the right hon. Deputy of His Excellency the Governor General has been pleased to give in Her Majesty's name the Royal Assent to the following bills:

Bill C-92, An Act to provide for compensation for former prisoners of war and their dependants and to amend certain other statutes in consequence thereof.—Chapter No. 95.

Bill S-8, An Act respecting the use of national safety marks in relation to motor vehicle tires and to provide for safety standards for certain motor vehicle tires imported into or exported from Canada or sent or conveyed from one province to another.—Chapter No. 96.

Bill S-3, An Act to amend the Quarantine Act.—Chapter No. 97.

Mr. Speaker: It being six o'clock, this House stands adjourned until tomorrow at 2 p.m.

At 6.01 the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, May 6, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

STATUS OF WOMEN

REQUEST FOR MEASURES TO IMPROVE STATUS IN BUSINESS COMMUNITY—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave, under Standing Order 43, to move the following motion, seconded by the hon. member for Oshawa-Whitby (Mr. Broadbent):

That this House notes the appointment by the minister responsible for the status of women of a committee to advise him on the business community's progress on status of women issues, the said committee being composed of senior representatives of Canadian business and industry who will meet with the minister twice a year, and this House, noting in particular that of the eight members of the committee seven are men and only one is a woman, condemns this gesture as sheer tokenism and calls on the government to come forward with positive steps to upgrade the status of women in this country's business community.

Mr. Speaker: Pursuant to Standing Order 43 such motion can only be presented with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

FEDERAL PROVINCIAL RELATIONS

SUGGESTED REDEFINITION OF ROLE OF MUNICIPAL GOVERNMENTS—MOTION UNDER S.O. 43

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous consent of the House to introduce an urgent motion of pressing necessity.

Considering the alarming conclusion contained in the report of the Canadian Federation of Mayors and Municipalities that within five years the structure of the municipal government as we now know it will disappear; considering that this means the absolute seizure by the state of this sector, as was the case with school boards which completely lost their autonomy, I move, seconded by the hon. member for Abitibi (Mr. Laprise):

That this House immediately discuss the actual role that should be fulfilled by the municipal government which is the base of our Canadian democracy system and, at the same time, the government level closest to the citizens, to prevent completing the creation, as provided, of another administrative monster of the centralizing state.

Mr. Speaker: The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

SOCIAL SECURITY

REQUEST FOR GUARANTEED INCOME FOR HOMEMAKERS—MOTION UNDER S.O. 43

Mr. Armand Caouette (Villeneuve): Mr. Speaker, I ask leave under the provisions of Standing Order 43 to present a motion concerning a matter of urgent and pressing necessity.

Considering that the increase in the cost of living forces a growing number of women to leave the household to find a job enabling the family to make both ends meet, and that a high number of women would rather stay home to take care of their children instead of working out, I move, seconded by the hon. member for Champlain (Mr. Matte):

That this House examine the possibility of establishing a guaranteed income for homemakers wishing to stay home to take care of their children, so that it enables families to meet the ever rising cost of living across Canada.

Mr. Speaker: Order, please. The House has heard the hon. member's motion. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

THE CANADIAN CONSTITUTION

SUGGESTED RETURN TO PROVINCES OF RIGHT OF DIRECT TAXATION—MOTION UNDER S.O. 43

Mr. Eudore Allard (Rimouski): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous

consent of the House to move a motion on a matter of urgent and pressing necessity.

Since the agreement, concluded between the government of Canada and that of the province of Quebec under an act approved on May 13, 1942 concerning the suspension of certain wartime taxes, expired on March 31, 1947; also, in view of the fact that the said agreement had been concluded so as to allow Canada to provide a maximum effort during World War II and that the said war has been over for 31 years; that the government of Canada recognized at the time that the province of Quebec, in making this commitment, did not relinquish or turn over any part of its sovereignty nor any of its rights, powers and privileges under the Constitution; and that it also appears from subsections 2 and 9 of section 92 and also from section 121 of the British North America Act that a provincial legislature is entitled to levy direct taxes on its territory to constitute a revenue for provincial purposes, I move seconded by the hon. member for Témiscamingue (Mr. Caouette):

That this House urge the federal government to return as soon as possible to the province of Quebec all rights of direct taxation that it borrowed from the said legislature for wartime purposes since the province of Quebec had agreed to suspend temporarily the levy and collection of certain taxes on income and corporations only for this purpose.

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is no unanimous consent; the motion therefore cannot be put.

● (1410)

ORAL QUESTION PERIOD

[*English*]

NATIONAL SECURITY

PARTICIPATION OF SOLICITOR GENERAL IN GUIDELINES ISSUED TO SECURITY SERVICE—MEETING WITH GENERAL DARE

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker—

Some hon. Members: Oh, oh!

Mr. Clark: I appreciate the nervous reaction on the other side.

Some hon. Members: Hear, hear!

Mr. Clark: Questions were raised yesterday about a serious apparent discrepancy between a position taken by a senior public servant and the Prime Minister. I wish to direct a question to the Solicitor General who yesterday told the House at page 13196 of *Hansard*, that he intended "to get all the information before answering the question". Considering any guidelines which were issued by the Prime Minister or by a cabinet committee with regard to restricting RCMP inquiries into any segment of the Canadian public, will the minister now advise the House if he was aware of the guidelines referred to specifically in the exchange of correspondence between General Dare and Mr. Bourne and if he participated in any way in the decision to issue such instructions?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, since yesterday I have looked into this matter thoroughly. I have found that what is in question is a cabinet decision with respect to the operations of the security service which had been conveyed to the RCMP. This cabinet decision dealt with, among other things, and confirmed that the RCMP should not survey legitimate political parties per se, but of course individuals in all political parties should be subject to surveillance if they are suspect with regard to criminal activities, subversion, violence or anything like that. That cabinet decision was based on a document that I had submitted to cabinet. It had first been screened or dealt with by the cabinet committee on security intelligence. A decision had been made and submitted to full cabinet. Cabinet confirmed it and it was passed on to the RCMP.

I guess the difficulty has arisen through the use of terminology. General Dare described the conveyance of the decision of the cabinet as guidelines. It was really a cabinet decision. It dealt with general operations only of the security service and did not deal with security screening of applicants for the public service. It did not deal with that. The letter of General Dare asked for clarification as to whether the general operations and policies might apply to the security screening, and that is what led to the further correspondence.

Mr. Clark: The letter of General Dare did not make a specific reference to the cabinet but rather a quite personal specific reference to the Prime Minister and to a discussion with the Prime Minister. I wonder if the Solicitor General has spoken with General Dare regarding this matter, and I wonder whether he can tell the House if it is still the position of General Dare that there was a discussion with the Prime Minister and, as stated in the February letter, that the Prime Minister issued certain guidelines and that the Prime Minister spoke specifically of the Party Quebecois.

Mr. Allmand: I did meet with General Dare this morning.

Mr. Fairweather: It must have been a happy meeting.

Mr. Allmand: It was a very good meeting. General Dare was really speaking about his participation in the meeting with the security and intelligence committee, and there was no direction from the Prime Minister. Of course, the Prime Minister was part of the committee, as were many other ministers and members of the security community who participate in those meetings, but the decision General Dare was talking about, the cabinet decision, was a decision of the cabinet as a whole and the cabinet committee as a whole and was not the result of any private meeting between General Dare and the Prime Minister.

POSSIBILITY PARTY QUEBECOIS MENTIONED BY PRIME MINISTER

Mr. Joe Clark (Leader of the Opposition): Since this has become a part of the public record, will the Solicitor General tell the House now whether the Prime Minister, to use the language of General Dare, spoke specifically of the Party Quebecois?

Hon. Warren Allmand (Solicitor General): We do not make public the private discussions which go on in cabinet and in cabinet committees. It is true that when we were discussing these general guidelines we discussed how they might apply to many political parties, but this only confirms what I have announced in this House on many occasions when people asked whether, for example, members of parliament, members of trade unions or members of political parties are subject to surveillance just because they belong to those groups, and I have always answered that they are not. However, the members of any legitimate group can be subject to surveillance if they are suspected of criminal or subversive activity, and that is what was being discussed.

Mr. Clark: Is it the position of the Solicitor General and the government of Canada that General Dare was incorrect and not stating the facts when he said in his letter that the Prime Minister spoke specifically of the Party Quebecois?

Mr. Allmand: I attended those meetings, and while different things were discussed, I cannot remember who discussed what. However, what I discussed with General Dare this morning was the decision of the cabinet committee. He has confused the decision of the cabinet committee with perhaps the input of different people in making up the final decision.

Mr. Baker (Grenville-Carleton): You have a selective memory.

TO WHOM GENERAL DARE REPORTS

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, I should like to pursue the questioning of the Solicitor General to try to determine precisely what apparatus exists within the government with respect to this whole area. Yesterday the Prime Minister refused to indicate the frequency of his meetings with General Dare, nor would he indicate whether the Solicitor General was in fact present at those meetings. Can the Solicitor General advise the House of the line of command which exists for General Dare? Does he report to the Solicitor General or directly to the Prime Minister?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, General Dare reports to the commissioner of the RCMP who in turn reports to me, and I report to the Prime Minister and this House.

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR ASSURANCE OF MAINTENANCE OF INDEPENDENCE OF FORCE

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, the Prime Minister made repeated references to this cabinet committee on security and intelligence which oversees the operation of government agents in the area of security and intelligence and at which certain conclusions were reached which were communicated to the police. I wonder if the Acting Prime Minister might give the House an explanation of the terms of reference and membership of such a committee, and is it the position of the government that RCMP inquiries may be restricted by such a body, or is the independence of the force to be maintained regardless of conclusions reached or instructions communicated to the RCMP?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the independence of the police is protected. Of course, the government has to take responsibility for all matters lying under its jurisdiction, but in pursuing that objective it does not interfere with the independence of the police.

* * *

● (1420)

NATIONAL DEFENCE

POSSIBILITY OF UNDERWATER LISTENING DEVICES ON EAST AND WEST COASTS—GOVERNMENT ACTION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of National Defence. Would the minister tell the House whether a Lieutenant-Commander Barry Ridgewell and/or other members of the Canadian Armed Forces have been searching the continental shelf off Canada's west coast for certain underwater listening devices and, if so, would he tell us what they have found?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, they have not been searching for such devices.

Mr. Broadbent: A supplementary question. Apart from whether or not they have been searching, according to news reports perhaps they should be. Would the minister tell the House whether the government has any information, either from observing trawlers or any other source, that would lead them to believe that a foreign power has established underwater listening devices either off the west coast or the east coast of Canada?

Mr. Richardson: Mr. Speaker, we have no evidence whatever that that has been done.

Mr. Broadbent: A final supplementary question, Mr. Speaker. Would the minister explain to the House why a presumably responsible officer in the armed services of Canada has made such a contention, and if what he says is a blatant falsehood would the minister tell the House what disciplinary action the government plans to take?

Mr. Richardson: Mr. Speaker, I think the words used would have to be a little more clear. I do not think there was any suggestion that there were devices of that kind.

Mr. Broadbent: He said there were.

Mr. Richardson: I think the commander was describing that the type of work he is engaged in and that his training could be used for a number of purposes, such as for locating resources, sunken ships or aircraft, and that there was also a possibility that it could be used to find devices of the kind described if they were there. He was talking about the possibility of this, not about the fact that they were there or that he had seen them.

* * *

[*Translation*]

ADMINISTRATION OF JUSTICE

EVIDENCE BEFORE CRIME COMMISSION BY JUDGE LAMER—REQUEST FOR ASSURANCE OF INTEGRITY

Mr. René Matte (Champlain): Mr. Speaker, I have a question for the Minister of Justice.

Did the Minister of Justice ask his deputy for a complete report on the evidence given by Judge Antonio Lamer before the Inquiry Commission on Organized Crime? In the affirmative, can he reassure the House about the integrity of the new chairman of the Law Reform Commission?

[*English*]

Hon. Ron Basford (Minister of Justice): Mr. Speaker, as I indicated to the House previously, my predecessor discussed this question with the deputy attorney general. I have asked to be apprised of the report that was given to my predecessor but I have not yet received it. However, may I say that I have no information that would indicate any lack of integrity on the part of the chairman of the Law Reform Commission.

[*Translation*]

REQUEST FOR INQUIRY INTO NEW CHAIRMAN OF LAW REFORM COMMISSION

Mr. René Matte (Champlain): Mr. Speaker, I would like to direct a supplementary question to the Solicitor General.

Has the minister been informed about the questionable acquaintances of the chairman of the Law Reform Commission and does he intend to order an inquiry to know whether a man who assumes responsibilities so fraught with consequences intends to advocate in a disguised manner reforms likely to encourage criminality rather than discourage it?

[*English*]

Hon. Warren Allmand (Solicitor General): No, Mr. Speaker.

SUPPLY AND SERVICES

LOCKHEED CONTRACT—MAXIMUM AMOUNT PAYABLE BY GOVERNMENT—POSSIBLE GUARANTEE OF LOAN BY GOVERNMENT

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of Supply and Services. In reply to previous questions the Minister of National Defence has declined to reveal either the rate of interest which Lockheed will pay on the loan from Canadian banks or to say whether the total interest payments would be in excess of $111 million set aside for such payments by his department. However, on Monday the Minister of Supply and Services told reporters that, whatever terms are negotiated between the banks and Lockheed, the government will pay no more than a maximum which is fixed in the contract. Would the Minister of Supply and Services now tell the House what this maximum fixed figure is, and would he now provide copies of the contract in compliance with his previous commitments?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, we have negotiated with Lockheed the maximum charges the federal government will assume and they have been incorporated in the contract, which is now in escrow. Of course, if Lockheed can achieve and finalize negotiations with Canadian banks, then the contract will be in force and we will table it in the House. In the arrangement with Lockheed, it is understood that if it can obtain better terms and conditions with Canadian banks the federal government will benefit, but if it cannot, then Lockheed will absorb the additional cost and responsibility.

Mr. McKinnon: Mr. Speaker, I cannot understand why the minister does not wish to answer the question by giving a figure of what percentage of interest is involved. The government has stated repeatedly it will not guarantee a loan to Lockheed, yet the minister on Monday told reporters that in case of a Lockheed bankruptcy the government would assume the payments made until that point, and that the banks are protected to that extent. If that does not amount to a government guarantee I do not know what does. Therefore, I should like to hear the minister's explanation of why a commitment to repay the banks for money loaned to Lockheed does not amount to a guarantee.

Mr. Goyer: Mr. Speaker, there is no more guarantee than the one the federal government would have to face if the federal government were providing the financing through appropriation. That means that if there are any risks for the Canadian banks they have to be settled with Lockheed, not with the federal government. We do not give any guarantee on any loan to Lockheed.

ENERGY

REQUEST FOR ASSESSMENT OF ENVIRONMENTAL DANGERS BEFORE ESTABLISHING RADIOACTIVE WASTE DISPOSAL SITE NEAR PORT GRANBY

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is to the Minister of Energy, Mines and Resources and is in respect of a 470-acre parcel optioned by a governmental agency under his jurisdiction near Port Granby, just west of Port Hope, for the purpose of a radioactive nuclear waste disposal site. Will the minister give the assurance to me and the House that procedures such as outlined, for instance, in the provincial government's environmental protection act, which require a full public assessment of the environmental dangers and the requirement of public hearings in respect of a matter such as this, will be followed either before the government goes ahead with completion of the purchase, or inevitably uses it as a radioactive waste disposal site?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I would be very pleased to convey this representation to the federal-provincial task force which is concerned with the clean-up of the Port Hope situation. As the hon. member may know, there are a number of federal government and Ontario government departments involved. I believe the Ontario Department of the Environment is specifically concerned with the licensing arrangements for such a new disposal site.

* * *

ENVIRONMENTAL AFFAIRS

SUGGESTED GUARANTEE OF PUBLIC HEARINGS BEFORE APPROVAL OF RADIOACTIVE WASTE DISPOSAL SITE AT PORT GRANBY

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my supplementary question is then directed to the federal Minister of the Environment. As both he and his colleague in the Cabinet must know, if the federal government wants to waive completely all these guarantees in the provincial legislation it can and quite frequently has done so. The federal Minister of the Environment has within his personal discretion the authority to give an undertaking right here and now that these guarantees of public hearings and full public disclosure of the environmental assessment will be made before this site can be used for radioactive dumping purposes. I would ask the minister then, because it is within his discretion, to give that undertaking to the House now.

Hon. Jean Marchand (Minister of the Environment): Mr. Speaker, I cannot add more to what has been said by my colleagues on this. We have a general work force with the government of Ontario, and this is surely a problem on which we are going to proceed. We are studying this problem of nuclear waste in the region of Port Hope. We are going to look into this problem jointly with the government of Ontario, and we are ready to consider whatever recommendations are submitted to us.

Mr. Lawrence: Mr. Speaker, if, as the minister contends, the province of Ontario does have something to do with this, I would ask whether the federal government will follow the requirements and guarantees written into the provincial government's legislation rather than relying on the rather arbitrary provisions which exist in his own legislation?

Mr. Marchand (Langelier): Mr. Speaker, I think in this regard we will have to consult with the government of Ontario. I am sure we are going to co-operate with that government and it will accept the standards we propose. Even if they do not do it immediately they have the programs to do it and we do the same thing. There is no doubt that we will support the government of Ontario.

* * *

● (1430)

PENITENTIARIES

MEASURES TO PROTECT CORRECTIONAL OFFICERS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to ask the Solicitor General a serious question concerning a bill now before the committee. This is in a different field. Once again we have seen correctional officers and institutional staff members held as hostages. The last situation was at the Archambault institution. We can be thankful that they were released without a murder such as happened in British Columbia. The Solicitor General in answering a question, said that the only way to prevent such occurrences is to lock up everybody. Has the Solicitor General come up with a policy or plan to protect the correctional officers from this kind of harassment and danger and would he now tell us what the plan is because I say to him in all seriousness that the situation in our institutions across Canada is very precarious.

Hon. Warren Allmand (Solicitor General): Mr. Speaker, part of the plan is in the peace and security program, the administrative side, in which it is mentioned that first of all we would move to the construction of smaller institutions containing 150 to 180 inmates to allow for greater segregation of inmates. Also this type of institution would provide better security and rehabilitation.

Second, in response to the unions and the administration we have agreed to have a more intensive training and retraining program for correctional officers including training in such things as crisis and hostage situations. Furthermore, there are many security arrangements being introduced. I would not be able to state them all here, but I would be willing to send them to the hon. member.

* * *

ADMINISTRATION OF JUSTICE

SUGGESTED IMPROVEMENT IN BAIL PROVISIONS—GOVERNMENT POSITION

Mr. Eldon M. Woolliams (Calgary North): Well, Mr. Speaker, that program looks like something that will be done three years from now. I should like to ask the Minister of Justice, because not only are officers being held as hostages but most of our penitentiaries are like sieves,

whether he has looked into the matter of Nichols and Gamble, one of whom was on a charge of murder and the other attempted murder, who came to Calgary while on bail and robbed a credit union, murdered a police officer and held two civilians for 47 hours as hostages. Has he worked out with the attorneys general of the provinces a plan to use their judicial discretion in favour of public safety—I emphasize that—rather than in favour of criminal violators. The new bill is not the solution because the discretion will be exercised by the same judges. What is the answer?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, as a courtesy from the Attorney General of British Columbia I received a full report from Mr. Gardorn on the particular case to which the hon. member referred. The two alleged gentlemen to whom the hon. member refers applied for bail and their bail applications were contested by the provincially appointed Crown counsel at the time. However, a decision was made by the magistrate involved to allow them out on bail. As the hon. member knows, effective April 26 the bail changes I proposed to Parliament came into effect. They are designed specifically to avoid a situation such as that at Calgary. I have urged publicly and with the attorneys general that their Crown prosecutors across the country take note of those provisions and use them effectively because it seems to me that the changes made in Bill C-71 give Crown counsel a proper argument to use before any Justice of the Peace or magistrate that people who are a danger to the public should be kept in jail pending trial. I would hope Crown attorneys across this country will take note of my remarks.

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[*Translation*]

HOUSE OF COMMONS

ALLEGED INQUIRIES ABOUT MEMBERS BY PRIVATE DETECTIVES—GOVERNMENT POSITION

Mr. Serge Joyal (Maisonneuve-Rosemont): Mr. Speaker, my question is directed to the Solicitor General.

Since in the course of matters recently considered by Parliament some allegations were made that private agencies or detectives were hired by some Canadians to investigate the behaviour of members, could the Solicitor General tell the House what he intends to do to make sure that no member is subjected to undue investigations from private detectives or agencies and that the rights and privileges of parliamentarians are always respected in an institution where freedom of action and speech is the very basis of our political system?

[*English*]

Hon. Warren Allmand (Solicitor General): Mr. Speaker, it has been brought to my attention that a private detective agency has been hired by certain political figures or parties to investigate—

Some hon. Members: Oh, oh!

An hon. Member: That is very interesting.

[Mr. Woolliams.]

Mr. Speaker: Order, please. I cannot hear the Solicitor General. I must say the reason I cannot is that the noise is coming from behind him, rather than from across the aisle.

Mr. Allmand: Mr. Speaker, it has been brought to my attention that a private detective agency or agencies have been hired and have investigated members, not only in respect of their public but their personal lives. I intend to have this looked into as quickly as possible.

* * *

FINANCE

PROPOSED ADVICE TO CANADIAN BANKS NOT TO PARTICIPATE IN LOAN TO CHILE

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I am suffering from a slight cold. For that reason I am waiting until the hubbub subsides before I put my question. Mr. Speaker, I would put my question to the Acting Prime Minister in the absence of the Minister of Finance or perhaps to the Parliamentary Secretary to the Minister of Finance. Is the minister aware that according to the Wall Street *Journal* and other sources, Canadian banks are proposing to join with United States financial institutions in the making of loans of $100 million to $125 million to Chile, and in light of the repeated condemnation by the Canadian government of that régime which is based upon oppression and torture, and in view also of the grave financial and economic conditions in Chile where there is enormous debt and rampant inflation, will he advise any Canadian banks that it would be wrong as well as unwise for Canadian banks to be involved in any such loans.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I am not aware of the report nor am I in a position to judge its authenticity. However, I will certainly take up the matter.

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MUSEUMS

REASON FOR DISMISSAL OF SOME EMPLOYEES—POSSIBILITY OF TRANSFERS

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Secretary of State of which I have given him informal notice a couple of hours ago. Notification of dismissals has been given by the National Museums Branch to many public servants who have long tenure. Will the minister explain the rationalization of this move and whether the public servants involved will have some security in other elements of the public service.

● (1440)

Hon. James Hugh Faulkner (Secretary of State): Yes, Mr. Speaker. First of all, I want to thank the hon. member for having given me notice of his question. As he has noted in his question, no career public servants have in fact been laid off at this point. As the result of the restraint program, 28 positions have been designated as redundant and over the next three months the corporation will try to find work for the 28 in question.

POST OFFICE

DATE OF COMPLETION OF NEGOTIATIONS WITH SUPERVISORY PERSONNEL—DECISION OF ANTI-INFLATION BOARD

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Postmaster General. In view of the long drawn out negotiations with supervisory personnel and the fact that some of these supervisors are being paid at a lower rate than the personnel they supervise, can the Postmaster General indicate when a new contract will be announced?

Hon. Bryce Mackasey (Postmaster General): Mr. Speaker, that matter was settled several days ago. If the hon. gentleman is referring to the reclassification procedure with regard to supervisory personnel, he will be pleased to know that it has been completed to their satisfaction. As for current labour negotiations, personnel issues as well as non-monetary issues have been resolved.

Mr. Dinsdale: Mr. Speaker, will the AIB be applying the same terms of reference to the supervisory group as they did to the CUPW group during their negotiations?

Mr. Mackasey: I cannot prejudge what the AIB decision will be. I imagine that if any change has to be made, heavy stress will be put on the historical relationship between all the groups, CUPW and LCUC as well as the supervisors in both groups.

* * *

SEARCH AND RESCUE

REQUEST FOR CLARIFICATION OF STATEMENTS CONCERNING SINKING OF "SAN JUAN"

Mr. James A. McGrath (St. John's East): Mr. Speaker, my question is for the Minister of National Defence who yesterday placed a price tag on the safety and security of Canadian fishermen when he said he would not respond to the request to have the search and rescue group deployed because it has not been found to be cost effective. This will prove to be to his discredit. My question today is prompted by the report tabled in the House by the Minister of Transport earlier on the sinking of the fishing vessel *San Juan* and on questions relating to the same subject tabled in the House earlier this week by the minister. In the investigation by the Minister of Transport there is the following statement:

At no time during the search was the "San Juan" itself actually sighted, only the flare from the vessel at 0345 being visible to those aboard the "Bartlett".

Yet in his reply to me earlier this week the minister stated that visual contact was established by the coast-guard ship at 3.30 o'clock and maintained until 4.30 o'clock. That is a very serious discrepancy considering the fact that two fishermen were lost in that accident. There is a serious contradiction there. I ask the minister if he can explain it or if he will cause a ministerial investigation of that serious contradiction to be carried out.

Hon. James Richardson (Minister of National Defence): I will look into the facts that have been presented, Mr. Speaker.

POST OFFICE

REASON FOR DELAY OF MAIL AT CLINTON, ONTARIO

Mr. R. E. McKinley (Huron-Middlesex): Mr. Speaker, I have a question for the Postmaster General. Notices of a meeting were sent out to dairy producers from the agriculture and food office in Clinton, Ontario on Tuesday, April 20. On Tuesday, April 27, one week after the mailing of these notices, many had not been received. Can the minister advise us what is going on in the Post Office when an ordinary procedure, such as getting such notices a few miles to their destination on time, cannot be carried out, or does the fact that they were not sealed and that only a 6 cents stamp was put on them could cause this kind of delay?

Hon. Bryce Mackasey (Postmaster General): Mr. Speaker, I would have to inquire whether the delay was intentional or unintentional and whether the circumstances mentioned by the hon. member, the fact that the letters were unsealed and the fact that probably insufficient postage was placed on them, are correct. I will investigate today and report to the hon. gentleman.

Mr. McKinley: Surely the minister should know whether it is general policy within the Post Office Department that unsealed mail with a 6 cent stamp on it takes longer to arrive to its destination than first class mail. Can he at least give us that information? Further, let me say that I will send the pertinent information to the minister.

Mr. Clark: Do it by hand.

Mr. Mackasey: I must apologize, Mr. Speaker. I did not think the hon. member wanted general information but was referring to something specific. I would like to be useful. If the hon. gentleman will bring the specific case to my attention, I will give it extraordinary attention because of my great affection for the hon. member.

* * *

NATIONAL DEFENCE

LAY-OFFS AT HM DOCKYARD, ESQUIMALT—ASSURANCE OF WORK ON REFIT OF HMCS "SASKATCHEWAN"

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is addressed to the Minister of National Defence. Can he assure the House, in the interests of preserving the strength, morale and integrity of the highly trained civilian work force at the HM Dockyard in Esquimalt, that he will issue instructions immediately that all lay-offs from the competent staff of this force cease forthwith?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I will make inquiries concerning that representation.

Mr. Munro (Esquimalt-Saanich): Can he assure the House that all work on the refit of HMCS *Saskatchewan*, which is to start next month, will take place with this force at that base?

Mr. Richardson: I will also make inquiries concerning that representation, Mr. Speaker.

* * *

[*Translation*]

FISHERIES

POSSIBILITY OF UNILATERAL DECLARATION OF 200-MILE LIMIT IF LAW OF THE SEA CONFERENCE FAILS

Mr. Albert Béchard (Bonaventure-Îles-de-la-Madeleine): Mr. Speaker, my question is for the Minister of State for Fisheries.

Considering the apparently inevitable failure of the Law of the Sea Conference, in spite of the effort to reach an agreement on the 200-mile limit at the conclusion of the conference now being held in New York, could the minister assure the House and all fishermen in Canada that the Canadian government will take a unilateral stand in this respect without too much delay?

Hon. Roméo LeBlanc (Minister of State (Fisheries)): Mr. Speaker, I have not read the joint statement as yet; it had not been tabled this morning. There is no doubt that, as the Secretary of State for External Affairs has said, 1976 is a critical year for Canadian fisheries and in that sense we intend to take our responsibilities and do whatever is necessary to protect our interests.

* * *

[*English*]

EXTERNAL AFFAIRS

LAW OF THE SEA CONFERENCE—PROPOSAL TO LIMIT LAND-BASED NICKEL PRODUCTION—GOVERNMENT POSITION

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, in view of the importance of this day to those of us interested in the law of the sea, may I address an extraordinary question to the Secretary of State for External Affairs or to the Acting Prime Minister. This deals with the report out of New York today that a proposal will be laid before the Law of the Sea Conference that limits be placed on production of land-based nickel reserves in order to encourage production of minerals on the ocean floor. Has the government adopted an official position with regard to this particular proposal?

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, several proposals are under discussion at the conference, including some that are quite controversial, such as the one to which the hon. member just referred. Canada, of course, could not accept any text which would have the effect of damaging the land-based nickel production in Canada.

[Mr. Munro (Esquimalt-Saanich).]

OLYMPIC GAMES

EXTENSION OF LOTTERY TO ASSIST WITH DEFICIT—GOVERNMENT POSITION

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I have a question for the President of the Treasury Board. It is reported in the press in a dispatch out of Quebec City today that the Quebec finance minister, Mr. Raymond Garneau, and the President of the Treasury Board have agreed to create a national lottery to run until 1979 which is expected to produce $300 million to assist in the anticipated Olympic's deficit. The proceeds are to be used after 1979 for the development of Canadian athletes. I should like to ask the minister if he intends to bring the establishment of this national lottery before parliament before it is implemented before the end of August this year?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, I am not in a position to make a statement on this subject. Indeed, I had some conversations with the Quebec Minister of Finance about self-financing programs for the Olympic Games but they are not completed.

[*English*]

Mr. Peters: Mr. Speaker, I should like to ask the minister whether it is correct to say these discussions have taken place with Julien Côté who, it is anticipated, will be appointed the national lottery chairman. I should like also to ask whether it is the minister's intention to bring this matter before parliament before a final decision is made?

[*Translation*]

Mr. Chrétien: Mr. Speaker, nobody was met because no decision has been made up to now. Of course, any new policy in this area will be presented to the House, and I hope we will have a favourable vote from all parties represented in the House if we put forward a measure along that line.

* * *

● (1450)

HEALTH

FREEZING OF FUNDS FOR MEDICAL RESEARCH—REQUEST FOR ASSURANCE NO ILL EFFECTS

Mr. Armand Caouette (Villeneuve): Mr. Speaker, I should like to put a question to the Minister of National Health and Welfare.

Can the minister tell the House whether he has read the statement of the medical director of the Canadian Tuberculosis and Respiratory Diseases Association that the freeze imposed by the federal government on medical research could have disastrous effects on the health of the average Canadian and, if so, can he tell the House what he intends to do to reassure Canadians who are naturally concerned at the thought that financial restrictions in the medical field threaten the quality of medical care, as stated by Dr. Dirks?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I did not see the particular statement referred to me by the hon. member but several similar statements have been made in the last few weeks. I want to point out to the hon. member that the funds allotted to the Medical Research Council have not been frozen as such. In fact, they were increased by over $1 million.

Still, many researchers in particular consider that increase inadequate, and I am endeavouring to find ways of recovering funds elsewhere to give greater assistance to medical research. I find myself in a quandary but I have already advised researchers that the government does consider this a serious matter. I do hope that we will be able to improve the situation.

* * *

[*English*]

COMMUNICATIONS

POSSIBILITY GOVERNMENT TELEPHONE COMPANIES WILL BE PROHIBITED FROM OWNING CABLEVISION STATIONS—DISCUSSIONS WITH MANITOBA AND SASKATCHEWAN

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is for the Minister of Communications. In her recent discussions with her provincial counterparts did the minister give any indication of a change in federal policy which prohibits government telephone companies from owning cable T.V. plants?

[*Translation*]

Hon. Jeanne Sauvé (Minister of Communications): No, Mr. Speaker, in my conversations with provincial ministers I certainly did not mention any changes in policy in the way indicated by the hon. member.

[*English*]

Mr. Nowlan: I am interested in the hon. minister's reply, Mr. Speaker. Specifically, however, did the minister have any conversations with the ministers of communications of Saskatchewan and Manitoba about this subject at the time it was before the CRTC and both governments were applicants before that body? If there were discussions, especially before the decision of the CRTC, would the minister not think this might infringe upon the integrity and/or independence of the CRTC?

[*Translation*]

Mrs. Sauvé: No, Mr. Speaker, I did hold discussions with the Saskatchewan and Manitoba ministers on the technical equipment ownership issue. Since the telephone companies in these provinces are owned by provincial governments, they would like to make the best of this ideal tool to proceed with a rational and economical development of cablevision.

They advised me also of their views on a more efficient way of using this tool if all the matter of ownership were left to telephone companies. We have discussed that problem. I did not make any commitments in resolving this problem although I understand perfectly the rationale of the proposal of the two provinces and to which I give full consideration.

[*English*]

GRAIN

STABILIZATION PLAN—NUMBER OF FARMERS NEEDED TO MAKE PLAN OPERATIVE AND NUMBER OPTING OUT

Mr. Peter Elzinga (Pembina): Mr. Speaker, my question is for the minister responsible for the Canadian Wheat Board but in his absence I will direct it to his parliamentary secretary. It is supplementary to the question put on Monday by the hon. member for Swift Current-Maple Creek. Could the hon. parliamentary secretary give the House some figures as to the percentage or number of farmers opting out of the western grain stabilization plan and could he also tell the House what numbers are needed to make the plan operative?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I cannot give an accurate figure to a precise digit, although my information within the last couple of days is that it is substantially below the 10 per cent we had allowed in our general calculations when preparing the legislation. We anticipate that in the long run close to 90 per cent of western farmers will wish to participate. We welcome assistance from all members which would help to bring the tremendous value of this legislation to the attention of western farmers.

Mr. Elzinga: A supplementary question, Mr. Speaker. The parliamentary secretary did not share with the House the information on the numbers needed to make the plan operative. As already over 10,000 grain farmers have declared in writing their intention to opt out of the plan, would he inform the House if the government plans to make available to farmers the same proposal that will be available to the government; that is that the contribution will only be on paper as recommended in Bill C-87?

Mr. Goodale: Mr. Speaker, on the general question of how many producers are required to make the plan operative, of course it is designed to work with any number of producers but the more that participate the greater will be the general stability for the grains economy. For those who participate, however, the program will be perfectly effective and supportive. On the question of the provisions contained in Bill C-87, I would remind the hon. member that the bill simply allows the contributions of the government to the grain stabilization fund to be deferred until the money is needed; when it is needed it will be paid into the fund with interest.

* * *

CANADA ELECTION EXPENSES ACT

LEGALITY OF PAYING FOR PRIVATE INVESTIGATORS OUT OF FUNDS RAISED UNDER ACT

Mr. Norman A. Cafik (Ontario): Mr. Speaker, my question is for the Minister of Justice. It concerns the use of private investigators by political parties. Would the minister check into the legality of paying for such Nixonite tactics from funds raised under the Canada Election Expenses Act?

Mr. Hnatyshyn: Who do you think you are, Robert Redford?

Some hon. Members: Hear, hear!

* * *

LABOUR CONDITIONS

SUGGESTED MEETING WITH PRESIDENT OF LABOUR CONGRESS TO AVOID GENERAL STRIKE

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Minister of Labour. On Tuesday I brought to the attention of the minister the fact that the CLC would be considering resolutions, one of which would be to mobilize for a general strike. The minister said he was concerned about it and that we all should be trying our best to avoid this. I hope he would think that a personal audience with the president of the CLC is in keeping with any plan to avoid a strike. Has he met with the president and if so, what has been the result?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, I have discussed this matter and general labour matters with the president of the CLC on many occasions.

Mr. Alexander: A supplementary question, Mr. Speaker. Will the minister discuss this matter again with the president of the CLC in order to advise him of the gravity of the situation prior to the convention? This is what we are interested in.

Mr. Munro (Hamilton East): Mr. Speaker, I think the president of the CLC is aware of the concern about resolutions of this kind. I shall probably be talking to him on several occasions in the next week or so, but he is aware of the situation.

NEGOTIATIONS WITH GREAT LAKES SEAMEN—REQUEST FOR CONCILIATION

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I too have a question for the Minister of Labour. In light of the fact that contract negotiations have broken down between seamen, masters and officers and the Great Lakes carriers and that they have asked for a conciliation, what action has the minister taken in connection with this?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, we are discussing this with the parties concerned to find the most appropriate way to bring them back together. Many of the issues have been ironed out over the last few months. I think we will be able to arrive at a procedure to bring the parties together.

Mr. Lambert (Edmonton West): A supplementary question. Would the minister undertake to report to the House next week what progress he has been able to make? The deadline on the contract is June 1.

Mr. Munro (Hamilton East): Certainly, Mr. Speaker.

GRAIN

PROTEIN PREMIUM FOR PRODUCERS WHO SHIP IN CAR LOTS—GOVERNMENT POSITION

Mr. Arnold Malone (Battle River): Mr. Speaker, in the absence of the minister responsible for the Canadian Wheat Board, I shall address my question to his parliamentary secretary. What action has been taken in light of the request of the Palliser Wheat Growers Association that producers who wish to ship their grain by producer car lots receive a protein premium?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I cannot give the hon. member a detailed reply today but I will undertake to get it and report very shortly.

ROUTINE PROCEEDINGS

[*English*]

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise a point of order. I wonder if I might ask the government House leader about the business for the balance of the week and for next week.

● (1500)

Mr. Sharp: Mr. Speaker, this afternoon, as the House is aware, we will take votes on the report stage of Bill C-68. We shall then revert to second reading of Bill C-84. the intention of the government is that debate on second reading of that bill will continue until conclusion, except for interruptions for allotted days, the budget if it should be delivered before debate on second reading of Bill C-84 is concluded, and perhaps report stage and third reading of Bill C-81, the MPs' pay bill.

I should add, for the information of hon. members, that the House leaders have agreed to recommend that the taking of a recorded vote on second reading of Bill C-84 will be subject to an order of the House, which I shall in due course, after discussion with the other House leaders, bring before the House, but not necessarily at the immediate conclusion of the debate itself. I say this so that hon. members can be assured there will not be a surprise vote or that they will have to carry on the debate unnecessarily in order to avoid a vote at an inconvenient time.

As a means of facilitating the planning of the remainder of this session by the various parties and members, I wish to designate in a preliminary way— I emphasize that it is a preliminary way and I may need to alter some of these days later—the list of allotted days. For next week the confirmed allotted days will be Wednesday, May 12, and Thursday, May 13. The other days I shall designate more tentatively. They may be subject to change, perhaps because of the introduction of the budget and for other reasons which may appeal to those who are involved with the management of the House. The other suggested allotted

days are Monday, May 17; Thursday, May 20; Friday, May 21; Tuesday, June 8; Friday, June 11; Tuesday, June 15; Wednesday, June 16; Monday, June 21, and Tuesday, June 22.

Mr. Marshall: Mr. Speaker, I rise on a point of order, and wonder if it is the appropriate time to raise it. Can the President of the Privy Council say if the government intends in any way to commemorate the thirty-first anniversary of D-Day, and if Canada presently intends to participate in any commemorative ceremonies in France?

Mr. Sharp: Mr. Speaker, I frankly admit that I have not taken the matter under consideration, but I shall now as a result of the hon. member's suggestion.

* * *

[*Translation*]

MISCELLANEOUS PRIVATE BILLS AND STANDING ORDERS

Tenth report of Standing Committee on Miscellaneous Private Bills and Standing Orders, in both official languages—Mr. Loiselle.

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

* * *

[*English*]

SEARCH AND RESCUE

PRESENTATION OF PETITION BY CONSTITUENTS OF ST. JOHN'S EAST AND ST. JOHN'S WEST, NEWFOUNDLAND

Mr. James A. McGrath (St. John's East): Mr. Speaker, pursuant to the provisions of Standing Order 67, I wish to present a petition, signed by 25,080 people in the constituencies of St. John's East and St. John's West, praying that search and rescue aircraft, ships and personnel be immediately stationed in the province of Newfoundland to provide security and protection for Canadian fishermen.

PRESENTATION OF PETITION BY CONSTITUENTS OF HUMBER-ST. GEORGE'S-ST. BARBE, NEWFOUNDLAND

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, pursuant to the provisions of Standing Order 67, I, too, wish to present a petition, signed by 12,240 citizens of the constituency of Humber-St. George's-St. Barbe, praying that search and rescue aircraft, ships and personnel be immediately stationed in the province of Newfoundland to provide security and protection for Canadian fishermen.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Order Paper Questions

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 4,946, 5,023, 5,024, 5,045 and 5,098.

I ask, Mr. Speaker, that the remaining questions be allowed to stand.

[*Text*]

VANCOUVER INTERNATIONAL AIRPORT—BAGGAGE SECURITY

Question No. 4,946—**Mr. Reynolds:**

1. During 1975, by month, what was Air Canada's cost for the Uniguard Baggage Security System at the Vancouver International Airport?

2. What percentage was this of the total cost of the service at the Airport?

3. During 1975, how many articles stolen from the baggage ramps were reported to the Airport RCMP?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The management of Air Canada advises as follows: 1. January, $2,315.65; February, $1,725.67; March, $2,277.71; April, $2,546.36; May, $2,815.51; June, $2,460.09; July, $2,456.69; August, $2,206.25; September, $2,407.92; October, $2,491.42; November, $2,143.70; December, $3,724.07.

2. January, 46.10 per cent; February, 39.02 per cent; March, 42.31 per cent; April, 41.73 per cent; May, 40.82 per cent; June 45.10 per cent; July, 44.22 per cent; August, 39.60 per cent; September, 43.72 per cent; October, 45.07 per cent; November, 42.78 per cent; December, 44.15 per cent.

Transport Canada advises as follows: 3. None.

CNR—PENSIONS TO RETIRED EMPLOYEES

Question No. 5,023—**Mr. Knowles (Winnipeg North Centre):**

1. How many retired employees of the Canadian National Railways are in receipt of pensions of less than $25.00 per month?

2. How many are in receipt of a pension of $25.00 per month?

3. How many are in receipt of pensions of (a) $25.01 to $29.99 per month (b) $30.00 to $39.99 per month (c) $40.00 to $49.99 per month (d) $50.00 to $59.99 per month (e) $60.00 to $69.99 per month (f) $70.00 to $79.99 per month (g) $80.00 to $89.99 per month (h) $90.00 to $99.99 per month (i) $100.00 to $124.99 per month (j) $125.00 to $149.99 per month (k) $150.00 to $199.99 per month (l) $200.00 to $299.99 per month (m) $300.00 per month or over?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The Management of Canadian National Railways advises as follows: 1. Two hundred fifty-six.

2. Two hundred seventy-four.

3. (a) 216; (b) 550; (c) 508; (d) 414; (e) 1,349; (f) 570; (g) 476; (h) 423; (i) 1,108; (j) 1,422; (k) 3,048; (l) 6,302; (m) 9,869. In a number of cases the amounts of pensions paid by Canadian National Railways do not represent the total pensions payable to employees for railway service. Pensions payable by CNR to international employees (service in both Canada and United States) relate to their service in Canada only. Such employees also receive annuities payable under the U.S. Railroad Retirement Act or the Social Security Act for service performed in the United States. For example, in the group receiving pensions under

$25 a month, in 1975, there are 41 former international employees who also receive U.S. Railroad Retirement or Social Security annuities in respect of CN service rendered in the United States. In addition, there are various pension agreements between CN and other Companies, such as Canadian Pacific Limited, CP Telecommunications and the Ontario Northland Railway, where each Company issues separate cheques for its portion of the total pension. Only the pension payable by CN is in this Statement. Also, since the passing of the Pension Benefits Standards Act by the Federal Government on October 1, 1967, there are 28 employees who have terminated service with CN and are receiving rather small compulsory deferred pensions for service performed only from October 1, 1967. The balance of those receiving small pensions are employees who elected early retirement (before age 65) with reduced basic pensions ($25) and employees who had very short service and very small contributions.

CNR—MONEY ON BOOKS OF PENSION FUNDS

Question No. 5,024—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount of money on the books of the pension funds of the Canadian National Railways as at (a) December 31, 1973 (b) December 31, 1974 (c) December 31, 1975?

2. What rate of interest was earned on these funds during (a) 1973 (b) 1974 (c) 1975?

3. What amount of interest was credited to these funds during the years ending (a) December 31, 1973 (b) December 31, 1974 (c) December 31, 1975?

4. What amount of money was added to these funds from employee contributions during the years ending (a) December 31, 1973 (b) December 31, 1974 (c) December 31, 1975?

5. What amount of money was added to these funds as regular or current contributions by the Canadian National Railways during the years ending (a) December 31, 1973 (b) December 31, 1974 (c) December 31, 1975?

6. What amount of money was added to these funds in any other way by the Canadian National Railways during the years ending (a) December 31, 1973 (b) December 31, 1974 (c) December 31, 1975?

7. Is money owed to the above funds by the Canadian National Railways and, if so, how much and what arrangements are being made to meet such debt?

8. What was the total amount paid out of the above funds in pensions during the years ending (a) December 31, 1973 (b) December 31, 1974 (c) December 31, 1975?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The Management of Canadian National Railways advises as follows: 1. As at December 31, 1973, $1,049,845,076; as at December 31, 1974, $1,170,070,599; as at December 31, 1975, $1,295,992,657.

2. To calculate the yield we have used the Statistics Canada formula and the information requested in Questions (1) and (3). Under this formula, the investment is deemed to be Opening Investments plus Closing Investments, less earnings divided by two. On this basis, the yield is: 1973, 5.20 per cent; 1974, 5.76 per cent; 1975, 5.95 per cent.

3. Year ended December 31, 1973, $50,010,249; year ended December 31, 1974, $61,131,731; year ended December 31, 1975, $69,727,964.

[Mr. Goodale.]

4. Year ended December 31, 1973, Net: $36,893,626; year ended December 31, 1974, Net: $47,897,419; year ended December 31, 1975, Net: $51,609,714.

5. Year ended December 31, 1973, $77,839,494; year ended December 31, 1974, $83,838,271; year ended December 31, 1975, $94,746,365.

6. Year ended December 31, 1973, $9,847,150; year ended December 31, 1974, $12,030,905; year ended December 31, 1975, $14,766,374.

7. At December 31, 1975 Canadian National Railways owed the payment due for December, $6,434,908, which was paid in January, 1976.

8. Year ended December 31, 1973, $75,358,688; year ended December 31, 1974, $84,672,803; year ended December 31, 1975, $93,567,159.

OTTAWA-QUEBEC JOINT PROGRAMMES ON HEALTH INSURANCE

Question No. 5,045—**Mr. Caouette (Témiscamingue):**

Briefly, from 1970 to date, what have been the Ottawa-Quebec agreements concerning the financing and administration of joint programmes on health insurance?

Hon. Marc Lalonde (Minister of National Health and Welfare): For the administration of the hospital insurance program including the calculation of advances and federal contributions, but excluding any federal payments in respect thereto, there is a federal-provincial hospital insurance agreement between the Minister of Social Affairs of the Province of Quebec and the Minister of National Health and Welfare. This agreement has been in effect from January 1, 1961, and is similar to all other federal provincial agreements made under the terms of the Hospital Insurance and Diagnostic Services Act and the Hospital Insurance Regulations. For the purpose of making financial settlements with the Province of Quebec in respect of amounts payable under the terms of the agreement described above, there is a special agreement between the Minister of Finance of the Province of Quebec, the Minister of Finance of Canada and the Minister of National Health and Welfare. This agreement is under the terms of the Established Program (Interim Arrangements) Act, and is with respect to the period effective commencing January 1, 1965. The agreement was to expire after December 31, 1970, but it has been extended periodically, and is still in force at the present time. Since November 1, 1970, costs incurred by the Province of Quebec for medically required services of physicians, and certain surgical-dental procedures performed in hospitals, have been shared by the federal government under the terms of the Medical Care Act. While general requirements are contained in this Act as necessary conditions that must be adhered to by a province in order to qualify for federal sharing, there are no formal agreements.

GRANTS TO CANADIAN SKI ASSOCIATION

Question No. 5,098—**Mr. Matte:**

1. Since 1974, has the Department of National Health and Welfare granted any money to the Canadian Ski Association and, if so, how much?

2. How much money did each province receive?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. Yes, 1974-75, $415,094; 1975-76, $435,181.

2. The funds were paid to the Canadian Ski Association for such projects as coaching development, athlete training, national and international competitions and administration. It is therefore not possible to give a province-by-province breakdown of these expenditures. The only contributions paid directly to individuals are grants-in-aid designed to assist the better Canadian athletes who wish to continue both their educational and competitive careers. The following list indicates recipients according to province for the years 1974-75 and 1975-76.

CANADIAN SKI ASSOCIATION

1974-75

Newfoundland	Nil	
Prince Edward Island	Nil	
Nova Scotia	Scallion, Bryan	$1,000
	Wilson, Joan	600
Quebec	Blackburn, Yvon	1,200
	Cloutier, Karen	300
	Cousineau, Alain	450
	Goodman, Russell	900
Ontario	Graves, Richard	900
	Kreiner, Kathy	600
	Oughton, Carolyne	600
	Podborski, Stephen	2,000
Manitoba	Nil	
Saskatchewan	Nil	
Alberta	Haining, Vanita	300
	Osness, Joan	1,800
British Columbia	Aiken, Gary	600
	Cooper, David	600
	Budwer, Douglas	1,124
	Miller, Esther	600
	Murray Wm. David	225
North West Territories	Firth, Sharon	1,000
	Firth, Shirley	1,000
	Lennie, Ernest	900

1975-76

Newfoundland	Nil	
Prince Edward Island	Nil	
Nova Scotia	Wilson, Joan	600
New Brunswick	Nil	
Quebec	Cloutier, Karen	1,200
Ontario	Graves, Richard	1,800
	Podborski, Stephen	600
	Sjolund, Kurt	2,400
	Wilson, Gordon	300
Manitoba	Nil	
Saskatchewan	Nil	
Alberta	Nil	
British Columbia	Nil	
North West Territories	Firth, Sharon	1,000
	Firth, Shirley	1,000

GOVERNMENT ORDERS

[*English*]

MEDICAL CARE ACT

AMENDMENT TO LIMIT ANNUAL INCREASE IN PER CAPITA COST OF INSURED SERVICES UNDER MEDICAL CARE PLANS

The House resumed, from Friday, April 30, consideration of Bill C-68, to amend the Medical Care Act, as reported (with amendments) from the Standing Committee on Health, Welfare and Social Affairs.

Mr. Speaker: Order, please. It was previously agreed and ordered by the House that the votes on certain motions were to be deferred until this time. Accordingly, in a moment the bells will ring to summon the members, it being understood, of course, that because the vote is a deferred one the bells will ring for 15 minutes.

Before hon. members are called in, I wish to tell the House that there has been discussion on more than one occasion as to the order in which the votes on the motions ought to be taken. The Chair had indicated earlier that it would prefer to take the votes on the motions in the following order: first motion No. 2, then motions Nos. 1, 3 and 4. There has been some discussion since that original proposal was made, and it is understood that a different order would be appropriate. Obviously, the discussions concerned only the first three motions; the amendment to motion No. 4 will have to be taken last. As for the other three motions, motion No. 3 would have the effect of striking out all of clause 1 of the bill, motion No. 1 would have the effect of striking out a portion of the bill, and motion No. 2 would have the effect of introducing a new phrase into a portion of the clause.

The Chair must therefore be guided by one of two principles. First, we could take the votes in such a way that, after taking one vote, we would obviate the necessity of taking others. This would put the Chair in the unenviable position of attempting to anticipate the results of votes, which I personally feel the Chair ought never to do. It seems to me that there is more virtue to the second principle, that is, to take the votes in such a way as to ensure that votes will be taken, rather than to obviate the necessity for the taking of votes.

In this instance, for example, if the votes were to be taken in the reverse order, if the motion calling for the abolition of the whole of clause 1 of the bill were to be taken first and affirmed, the other votes would never be taken. It seems to me that any member who has proposed a motion and had it discussed by the House is entitled to see it come to a vote. Therefore, the more sensible order, it seems to me, would be to take first the motion which introduces a new phrase into a clause, motion No. 2, then to take the motion which would strike out part of clause 1, motion No. 1, and, finally, to take motion No. 3 which proposes to strike out an entire clause. In that way, all members who have proposed motions before the House for discussion will be assured that they will come to a vote.

Therefore, pursuant to the previous order of the House, the deferred motions on Bill C-68 will now be taken. Call in the members.

Medical Care Act

The House divided on motion No. 2 (Mr. Brisco) which was negatived on the following division:

(Division No. 132)

YEAS
Messrs.

Alexander
Allard
Andre
(Calgary Centre)
Baker
(Grenville-Carleton)
Balfour
Beatty
Beaudoin
Benjamin
Blackburn
Brewin
Brisco
Broadbent
Caouette
(Villeneuve)
Clark
(Rocky Mountain)
Crouse
Darling
Dick
Dinsdale
Dionne
(Kamouraska)
Douglas
(Nanaimo-Cowichan-
The Islands)
Elzinga
Epp
Fairweather
Firth
Forrestall
Friesen
Gauthier
(Roberval)
Gilbert
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hamilton
(Swift Current-
Maple Creek)
Hargrave
Hnatyshyn
Holmes
Horner
Howie
Hurlburt
Jarvis
Jelinek
Johnston
Jones
Kempling
Knowles
(Winnipeg
North Centre)
Knowles
(Norfolk-Haldimand)
Korchinski
Lambert
(Edmonton West)
La Salle
Lawrence
MacDonald (Miss)
(Kingston and the
Islands)
MacKay
MacLean
Macquarrie
Malone
Marshall
Masniuk
Matte
McCain
McGrath
McKinley
McKinnon
Munro
(Esquimalt-Saanich)
Murta
Neil
Nowlan
Orlikow
Paproski
Peters
Ritchie
Roche
Rodriguez
Rynard
Scott
Stanfield
Stevens
Stewart
(Marquette)
Symes
Towers
Whiteway
Woolliams
Yewchuk—80.

NAYS
Messrs.

Abbott
Allmand
Anderson
Andres
(Lincoln)
Appolloni (Mrs.)
Baker
(Gander-Twillingate)
Basford
Béchard
Bégin (Miss)
Blais
Blaker
Blouin
Breau
Buchanan
Cafik
Campagnolo (Mrs.)
Campbell (Miss)
(South Western Nova)
Campbell
(LaSalle-Émard-Côte
Saint-Paul)
Caron
Chrétien
Clermont
Collenette
Comtois
Corbin
Corriveau
Côté
Cullen
Cyr
Daudlin
Demers
Douglas
(Bruce-Grey)
Drury
Duclos
Dupont
Dupras
Duquet
Faulkner
Fleming
Foster
Francis
Gauthier
(Ottawa-Vanier)
Gendron
Gillespie
Goodale
Goyer
Gray
Guay
(St. Boniface)
Guay
(Lévis)
Guilbault
Haidasz
Harquail
Herbert
Holt (Mrs.)
Hopkins
Isabelle
Lachance
Lajoie
Lalonde
Landers
Langlois
Laniel
Lapointe
Leblanc
(Laurier)
LeBlanc
(Westmorland-Kent)
Lee
Lefebvre
Lessard
Loiselle
(Chambly)
Loiselle
(Saint-Henri)
Lumley
MacDonald
(Cardigan)
MacFarlane
MacGuigan
Mackasey
Maine
Marceau
Marchand
(Langelier)
Marchand
(Kamloops-Cariboo)
McIsaac
McRae
Milne
Munro
(Hamilton East)
Nicholson (Miss)
O'Connell
Olivier
Parent
Pearsall
Pelletier
Penner
Philbrook
Pinard
Portelance
Poulin
Prud'homme
Railton
Raines
Reid
Roberts
Rooney
Roy
(Timmins)
Roy
(Laval)
Sauvé (Mrs.)
Sharp
Smith
(Saint-Jean)
Stanbury
Stewart
(Cochrane)
Tessier
Trudel
Turner
Watson
Whelan
Yanakis
Young—113.

[Mr. Speaker.]

● (1530)

Mr. Speaker: I declare the motion lost. The question, then, is upon motion No. 1 standing in the name of the hon. member for Athabasca (Mr. Yewchuk).

The House divided on motion No. 1 (Mr. Yewchuk) which was negatived on the following division:

(Division No. 133)

YEAS
Messrs.

Alexander
Allard
Andre
(Calgary Centre)
Baker
(Grenville-Carleton)
Balfour
Beatty
Beaudoin
Benjamin
Blackburn
Brewin
Brisco
Broadbent
Caouette
(Villeneuve)
Clark
(Rocky Mountain)
Crouse
Darling
Dick
Dinsdale
Dionne
(Kamouraska)
Douglas
(Nanaimo-Cowichan-
The Islands)
Elzinga
Epp
Fairweather
Firth
Forrestall
Friesen
Gauthier
(Roberval)
Gilbert
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hamilton
(Swift Current-
Maple Creek)
Hargrave
Hnatyshyn
Holmes
Horner
Howie
Hurlburt
Jarvis
Jelinek
Johnston
Jones
Kempling
Knowles
(Winnipeg
North Centre)
Knowles
(Norfolk-Haldimand)
Korchinski
Lambert
(Edmonton West)
La Salle
Lawrence
MacDonald (Miss)
(Kingston and the
Islands)
MacKay
MacLean
Macquarrie
Malone
Marshall
Masniuk
Matte
McCain
McCleave
McGrath
McKinley
McKinnon
Munro
(Esquimalt-Saanich)
Murta
Neil
Nowlan
Orlikow
Paproski
Peters
Ritchie
Roche
Rodriguez
Rynard
Scott
Stanfield
Stevens
Stewart
(Marquette)
Symes
Towers
Whiteway
Woolliams
Yewchuk—81

NAYS
Messrs.

Abbott
Allmand
Anderson
Andras
(Port Arthur)
Andres
(Lincoln)
Appolloni (Mrs.)
Baker
(Gander-Twillingate)
Basford
Béchard
Bégin (Miss)
Blais
Blaker
Blouin
Breau
Buchanan
Cafik
Campagnolo (Mrs.)
Campbell (Miss)
(South Western Nova)
Campbell
(LaSalle-Émard-Côte
Saint-Paul)
Caron
Chrétien
Clermont
Collenette
Comtois
Corbin
Corriveau
Côté
Cullen
Cyr
Daudlin
Demers
Douglas
(Bruce-Grey)
Drury
Duclos
Dupont
Dupras
Duquet
Faulkner
Fleming
Foster
Francis
Gauthier
(Ottawa-Vanier)
Gendron
Gillespie
Goodale
Goyer
Gray
Guay
(St. Boniface)
Guay
(Lévis)
Guilbault
Haidasz
Harquail
Herbert
Holt (Mrs.)
Hopkins
Isabelle
Lachance
Lajoie
Lalonde
Landers
Langlois
Laniel
Lapointe
Leblanc
(Laurier)
LeBlanc
(Westmorland-Kent)
Lee
Lefebvre
Lessard
Loiselle
(Chambly)
Loiselle
(Saint-Henri)
Lumley
MacDonald
(Cardigan)
MacFarlane
MacGuigan
Mackasey
Maine
Marceau
Marchand
(Langelier)
Marchand
(Kamloops-Cariboo)
McIsaac
McRae
Milne
Munro
(Hamilton East)
Nicholson (Miss)
O'Connell
Olivier
Parent
Pearsall
Pelletier
Penner
Philbrook
Pinard
Portelance
Poulin
Prud'homme
Railton
Raines
Reid
Roberts

Messrs.

Rooney
Roy (Timmins)
Roy (Laval)
Sauvé (Mrs.)
Sharp
Smith (Saint-Jean)
Stewart (Cochrane)
Tessier
Trudel
Turner
Watson
Whelan
Yanakis
Young—113.

● (1540)

Mr. Speaker: I declare the motion lost. The question is now on motion No. 3 in the name of the hon. member for Winnipeg North Centre (Mr. Knowles).

The House divided on motion No. 3 (Mr. Knowles (Winnipeg North Centre)) which was negatived on the following division:

(*Division No. 134*)

YEAS
Messrs.

Alexander
Allard
Andre (Calgary Centre)
Baker (Grenville-Carleton)
Balfour
Beatty
Beaudoin
Benjamin
Blackburn
Brewin
Brisco
Broadbent
Caouette (Villeneuve)
Clark (Rocky Mountain)
Crouse
Darling
Dick
Dinsdale
Dionne (Kamouraska)
Dionne (Northumberland-Miramichi)
Ellis
Elzinga
Epp
Fairweather
Firth
Forrestall
Friesen
Gauthier (Roberval)
Gilbert
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Hnatyshyn
Holmes
Horner
Howie
Hurlburt
Jarvis
Jelinek
Johnston
Jones
Kempling
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
La Salle
Lawrence
MacDonald (Miss) (Kingston and the Islands)
MacKay
MacLean
Macquarrie
Malone
Marshall
Masniuk
Matte
McCain
McCleave
McGrath
McKinley
McKinnon
Munro (Esquimalt-Saanich)
Murta
Neil
Nowlan
Orlikow
Paproski
Peters
Ritchie
Roche
Rodriguez
Rynard
Scott
Stanfield
Stevens
Stewart (Marquette)
Symes
Towers
Whiteway
Woolliams
Yewchuk—82

NAYS
Messrs.

Abbott
Allmand
Anderson
Andras (Port Arthur)
Andres (Lincoln)
Appolloni (Mrs.)
Baker (Gander-Twillingate)
Basford
Béchard
Bégin (Miss)
Blais
Blaker
Blouin
Breau
Buchanan
Cafik
Campagnolo (Mrs.)
Campbell (Miss) (South Western Nova)
Campbell (LaSalle-Émard-Côte Saint-Paul)
Caron
Chrétien
Clermont
Collenette
Comtois
Corbin
Corriveau
Côté
Cullen
Cyr
Daudlin
Demers
Douglas (Bruce-Grey)
Drury
Duclos
Dupont
Dupras
Duquet
Faulkner
Fleming
Foster
Francis
Gauthier (Ottawa-Vanier)
Gendron
Gillespie
Goodale
Goyer
Gray
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harquail
Herbert
Holt (Mrs.)
Hopkins
Isabelle
Lachance
Lajoie
Lalonde
Landers
Langlois
Laniel
Lapointe
Leblanc (Laurier)
LeBlanc (Westmorland-Kent)
Lee
Lefebvre
Lessard
Loiselle (Chambly)
Loiselle (Saint-Henri)
Lumley
MacDonald (Cardigan)
MacFarlane
MacGuigan
Mackasey

Medical Care Act

Messrs.

Maine
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
McIsaac
McRae
Milne
Munro (Hamilton East)
Nicholson (Miss)
O'Connell
Olivier
Parent
Pearsall
Pelletier
Penner
Philbrook
Pinard
Portelance
Poulin
Prud'homme
Railton
Raines
Reid
Roberts
Rooney
Roy (Timmins)
Roy (Laval)
Sauvé (Mrs.)
Sharp
Smith (Saint-Jean)
Stewart (Cochrane)
Tessier
Trudel
Turner
Watson
Whelan
Yanakis
Young—113.

● (1550)

Mr. Speaker: I declare motion No. 3 lost. The question is on the amendment to motion No. 4.

The House divided on the amendment to motion No. 4 (Mr. Knowles (Winnipeg North Centre)) which was negatived on the following division:

(*Division No. 135*)

YEAS
Messrs.

Allard
Beaudoin
Benjamin
Blackburn
Brewin
Broadbent
Caouette (Villeneuve)
Dionne (Kamouraska)
Douglas (Nanaimo-Cowichan-The Islands)
Firth
Gauthier (Roberval)
Gilbert
Knowles (Winnipeg North Centre)
Matte
Orlikow
Peters
Rodriguez
Symes—18

NAYS
Messrs.

Abbott
Alexander
Allmand
Anderson
Andras (Port Arthur)
Andre (Calgary Centre)
Andres (Lincoln)
Appolloni (Mrs.)
Baker (Gander-Twillingate)
Baker (Grenville-Carleton)
Balfour
Basford
Beatty
Béchard
Bégin (Miss)
Blais
Blaker
Blouin
Breau
Brisco
Buchanan
Cafik
Campagnolo (Mrs.)
Campbell (Miss) (South Western Nova)
Campbell (LaSalle-Émard-Côte Saint-Paul)
Caron
Chrétien
Clark (Rocky Mountain)
Clermont
Collenette
Comtois
Corbin
Corriveau
Côté
Crouse
Cullen
Cyr
Darling
Daudlin
Demers
Dick
Dinsdale
Douglas (Bruce-Grey)
Drury
Duclos
Dupont
Dupras
Duquet
Ellis
Elzinga
Epp
Fairweather
Faulkner
Fleming
Forrestall
Foster
Francis
Friesen
Gauthier (Ottawa-Vanier)
Gendron
Gillespie
Goodale
Goyer
Gray
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Harquail
Herbert
Hnatyshyn
Holmes
Holt (Mrs.)
Hopkins
Horner
Howie
Hurlburt
Isabelle
Jarvis
Jelinek
Johnston
Jones
Kempling
Knowles (Norfolk-Haldimand)
Korchinski
Lachance
Lajoie
Lalonde
Lambert (Edmonton West)
Landers
Langlois
Laniel
Lapointe
La Salle
Lawrence
Leblanc (Laurier)
LeBlanc (Westmorland-Kent)
Lee
Lefebvre
Lessard
Loiselle (Chambly)
Loiselle (Saint-Henri)
Lumley
MacDonald (Cardigan)
MacDonald (Miss) (Kingston and the Islands)
MacFarlane
MacGuigan
Mackasey
MacKay
MacLean
Macquarrie
Maine
Malone
Marceau
Marchand (Langelier)

Messrs.

Marchand (Kamloops-Cariboo)	Parent	Scott
Marshall	Pearsall	Sharp
Masniuk	Pelletier	Smith (Saint-Jean)
McCain	Penner	Stanfield
McGrath	Philbrook	Stevens
McIsaac	Pinard	Stewart (Marquette)
McKinley	Portelance	Stewart (Cochrane)
McKinnon	Poulin	Tessier
McRae	Prud'homme	Towers
Milne	Railton	Trudel
Munro (Esquimalt-Saanich)	Raines	Turner
Munro (Hamilton East)	Reid	Watson
Murta	Ritchie	Whelan
Neil	Roberts	Whiteway
Nicholson (Miss)	Roche	Woolliams
Nowlan	Rooney	Yanakis
O'Connell	Roy (Timmins)	Yewchuk
Olivier	Roy (Laval)	Young—176
Paproski	Rynard	
	Sauvé (Mrs.)	

Mr. Speaker: I declare the amendment to motion No. 4 lost. The question, therefore, is on motion No. 4 in the name of the Minister of National Health and Welfare (Mr. Lalonde). Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion No. 4 agreed to.

Hon. Marc Lalonde (Minister of National Health and Welfare) moved that Bill B-68, to amend the Medical Care Act, as reported (with amendments) from the Standing Committee on Health, Welfare and Social Affairs, be concurred in.

Some hon. Members: Agreed.

Mr. Knowles (Winnipeg North Centre): On division.

Motion agreed to.

* * *

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed, from Wednesday, May 5, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Leonard C. Jones (Moncton): Mr. Speaker, I should like to continue where I left off in this debate yesterday when I was referring to certain numerical facts. During the period between 1957 and 1970, when capital punishment was supposedly still the law of this land, the number of murders increased from 129 to 420. The abolitionists argued that this really was no increase in the murder rate because, of course, this allowed for the greater population in the country—but it still leads to the conclusion that the murder rate has more than doubled. May I remind the disciples of abolition, however, that during this 13-year span only once was the written law on capital punishment enforced. How can one test the merit of any law by this type of standard? I only wish the government were half as lackadaisical with the enforcement of laws pertaining to taxes as with the enforcement of laws pertaining to capital punishment.

[Mr. Speaker.]

● (1600)

Again, may I address the assembly of abolitionists—who, incidentally, represent only 13 per cent of the population, according the latest poll—who feel that the only meagre argument for capital punishment is vengeance. Vengeance plays no part in my argument. Protection of the lives of the innocent is the main reason supporting the law on capital punishment. Some believe that the death penalty is un-Christian, unethical or barbaric. I consider myself to be a Christian, but I have no qualms whatsoever in seeing a once, twice or thrice-convicted murderer suffer for his misdoings.

In committing premeditated murder, the individual has brought upon himself, by his own conduct, this supreme penalty. He is then the author of his own misfortune. Persons who murder or commit any other type of capital offence do not choose to be children of God but, rather, children of wrath, and therefore are not brothers in Christ, if we want to divide people in religious terms. If we are Christians, they are not our brothers but children of wrath.

In view of the fact that the case involving the death of the two Moncton policemen on Friday, December 13, 1974, is still being considered by the Supreme Court of Canada, I will refrain from any further reference to that black day. Neither will I make reference to the cost to the province of New Brunswick, or of the cost to other provinces in such cases.

Our judicial system may not be perfect, but it is the best that has yet been employed and devised by man. There is a preliminary hearing, a trial with a judge and a jury of 12 free men, an appeal to the appeal court of the province, and a further appeal to the Supreme Court of Canada.

Let us examine the experience of our neighbouring country with regard to the retention of capital punishment for premeditated murder. A ruling by the United States Supreme Court in 1972 voided capital punishment laws. However, by the end of 1973 the death penalty for murder was reinstated by a large majority of the states of the United States of America. The increase in violence in the country resulted in louder and more persistent demands as the only means whereby society could be adequately protected. People ask for justice, not revenge. Justice which sentences a murderer to a 25-year term in an institution, with excellent fare, provision for the entertainment of his guests, medical services and a friendly and assiduous array of psychologists and psychiatrists, constitutes no formidable dissuasion to most wrongdoers—certainly not to hardened and experienced post-graduates in wickedness.

Abolitionists proclaim as an imperative that no crime, however dastardly, is deserving of the supreme penalty. According to the new ethic of these people who would obliterate the death penalty in every conceivable instance,

such is the sanctity of human life that the killer's right to his continued existence may, under no circumstances, be denied him. It is now customary, in fact, to equate an execution for premeditated murder with the crime itself and to consider one as reprehensible as the other. However, there is no evidence that the genial spirit of "live and let live" and of coexistence with known criminals has resulted in any greater measure of public safety, but just another ugly offshoot of the permissive society. It can be ascertained that under present conditions, sparing hardened criminals means condemning others—innocent people—to pay the price with their lives. The only thing that remains to be known is who will the next victims be and how many will there be.

It is a sad commentary on our morality to consider the criminal more important than innocent society. Laws must be made to protect the innocent, not subject them to the possibility of being victims of heinous crimes. Those who denounce capital punishment often claim that an inconsistency exists in the fact that governments, whose purpose is supposedly to deter people from killing one another, should consider it necessary to indulge in what they consider legalized killing. They fall back upon the theory that the state is altogether without right to assume a prerogative that is God's alone. Admittedly, the taking of a human life is offensive to humane persons, and this is the reason executions, when they do take place, are no longer performed in public. However, that which is aesthetically repugnant to our senses might on occasion have to be endured.

The government has a duty to protect itself and its citizens. The alleged moral issues involved in the judicial taking of a human life must be distinguished from the practical and expedient. The denial of the state of the moral right to take the life of anyone becomes all the more incredible in view of the as yet unquestioned right of a private individual to kill in given circumstances. This indicates that what is now condemned by the abolitionist faction is not the taking of a life per se but the taking of it in some quasi-ceremonial and orderly manner.

With great doggedness, opponents of capital punishment continue to press for its abolition because it does not provide absolute assurance that each and every murderer will be deterred. Obviously, the prospect of an untimely end does not impress every human being in precisely the same way and to the same degree. It must be recognized, nevertheless, that the main strength and force of a law consists in the penalty attached to it. Above all, fear of the consequences is certain to be more vividly felt in the case of an offence being deliberately planned than in one that is committed on impulse. A somewhat parallel observation could be made of some motorists who seem to have no concern about repeatedly having to pay fines, but it has not yet been suggested that for that reason penalties for improper driving should be given up as useless. Are we also to do away with the penalties for theft, forgery and smuggling because the penalties are so often ineffectual?

It is frequently argued that a man who has been hanged for murder might on later verification be found guiltless. However, the revised criminal procedure now almost everywhere in force does provide almost iron-clad guarantees to an accused person. He is safeguarded by stringent laws of evidence, and he is seldom lacking experienced counsel. Invariably, a verdict of murder is subject to minute scrutiny through a series of appeals and reviews.

Indeed, a trial is meant, by its very nature, to distinguish between that which is certain and that which remains unconvincing. In by far the greater number of acquittals the accused is discharged, not after being certified innocent and harmless but only because the charge against him has not been proved beyond all reasonable doubt. Be it remembered that in cases where any doubt remains it is always the accused who is entitled to benefit. Often the charge against the accused is easily substantiated, the testimony of the prosecution's witnesses fully corroborated and all contradictory evidence conspicuous by its total absence.

Many hon. members who favour abolition of the death penalty will tell you that our social environment is responsible for many of the worst crimes committed by our social misfits. They advocate legislation which will create more effective social and economic programs to remove the causes of crime, improve treatment for alcoholics and drug addicts and improve education and recreation programs in the belief that the pursuance of such measures will do more to lower our crime rate than the application of penalties after the fact. These members are living in a highly idealistic dream world which they have the naïveté to believe in and which, because of the perversity of human nature, I do not. There has never been a time, in all the history of man, when the number of criminals in society has dropped so low as to make punishment unnecessary. This will not happen in the future, either, because people have always been, and will continue to be, motivated by such things as greed and avarice. Reading the news items of each passing day substantiates this conclusion.

When we speak to the issue of capital punishment, we would do well to keep the word "justice" in mind. It is "just" that a criminal be punished for a misdoing. It is also "just" that the punishment fit the crime. The death penalty should be imposed on a murderer because it is the severest form of retribution for the severest form of offence. As moral creatures we are accountable for our actions. As human beings we have rights, but with every right there is corresponding responsibility. A person convicted of premeditated murder has earned no rights because he has shown no responsibility whatsoever to society.

● (1610)

Although capital punishment may be distasteful, are we prepared to abolish it and sacrifice the basic principles and elements of justice? Shall we continue to plead for pardons for murderers, a practice which destroys the law itself and, with it, the carrying out of justice?

A factor which has influenced some members of the abolitionist faction on the subject of capital punishment is the method of execution which has been used in Canada in the past—hanging. Because of its unpleasant nature, it is inclined to cloud the discussion with emotion that is not really relevant to the issue involved. Some impassioned appeals for abolition have been based on lurid descriptions of hangings which have taken place. Moreover, it is lurid and difficult to watch; it is difficult to have seen the result.

It is important that the members of this House distinguish between principle and method.

For all these reasons, Mr. Speaker, it is my feeling, that of my constituents and of the majority of Canadians, that this House must without further delay fully reinstate capital punishment in Canada. Certainly, the last hope for the protection of our innocent citizens is that the death sentence be fully retained and fully enforced. Capital punishment is necessary. This ultimate penalty is, unfortunately, the only penalty that can possibly suffice for such a horrendous and ultimate crime as murder. It should be applicable regardless of whose life is taken, be it that of a criminal, guard, policeman or any other human being. In this connection I speak not only as member of parliament but as a lawyer, having practised as a defence counsel, prosecutor and in the capacity of chief magistrate of a city and thus involved with the police department and as a representative of responsible citizens. I ask hon. members to vote, not emotionally, not on party lines but responsibly for the retention and complete reinstatement of capital punishment for all premeditated murders, and its full enforcement.

Mr. Speaker, the general public of Canada—the people who we as members of parliament represent—are fed up with the horrible results of a socialistic, permissive society foisted upon them to a great extent by politicians in a hurry for the opportunity to obtain votes. The country is looking for moral, economic and political stability. The nation is in need of leadership and an adherence to basic fundamental principles. They cannot be obtained or sustained with a continuation of the soft permissiveness evident in our penal and parole systems.

This bill to abolish capital punishment, Bill C-84, is aligned with soft permissiveness and is repugnant to the wishes of the majority of Canadians. If any bill were to be presented to this House on capital punishment, it should be a bill for the complete reinstatement of capital punishment and a realization that is must be fully enforced. The solidarity of the federal cabinet will prevent a free vote on this subject. The solidarity of the federal cabinet will mean a complete reversal of the needs and wishes of the people of Canada. The solidarity of the federal cabinet will, again, leave a bad taste in the mouths of Canadians and will result in further cynicism toward parliament and our so-called system of parliamentary democracy.

Surely, we must be responsible to the people of Canada. Either we abide by their wishes or we put the subject of capital punishment to the people of Canada by way of a referendum. It need not be an election referendum, but a referendum to be held now, between elections. I suggest that the federal cabinet does not have the courage not to commute the sentence of murderers and let them suffer the death penalty; likewise, it does not have the courage to put the issue before the electorate by referendum. What do they fear? They fear the decision of the people. Mr. Speaker, there should be no fear. People are usually right and they know what is going on. People know the difference between right and wrong, and they have given us the message for full reinstatement of capital punishment.

I will vote against Bill C-84, and in so doing it will be not only a truly free vote but one representing the collective, majority conscience and view of my constituents and the majority of good-thinking, decent Canadians.

[Mr. Jones.]

Mr. Ken Hurlburt (Lethbridge): Mr. Speaker, I am pleased to have the opportunity to take part in this debate. In 1973 I voted to retain capital punishment. I believe that on an issue of such grave importance one must reassess one's position. During the past three years I have done a great deal of soul-searching on the issue. I have studied statistics on the causes of crime and the ever-increasing crime rate. More important, I have consulted with and listened to the views expressed by constituents. The majority of my constituents favour the retention of capital punishment, as do the vast majority of Canadians. Therefore, Mr. Speaker, I will again vote for the retention of capital punishment.

The legislation as it now stands is a complete farce, as was pointed out by my colleague for Calgary North (Mr. Woolliams) who said, and I quote:

> The law will be obeyed only when it is respected. The law will be obeyed only when it is just. The law will be obeyed when those in high office respect and carefully guard our traditions and constitution, the dignity the law demands, and the dignity which we expect from the judiciary, the executive, parliament and the administration of justice. Nothing short of that standard is acceptable to us on this side of the House.

Mr. Speaker, where are our priorities? According to the government's own statistics there were 185 murders in Canada in 1961. By 1974, the number had risen to 545. Yet the government chooses to ignore the recommendations set forth by Canada's various police forces, including those of the RCMP, the world's most renowned law-enforcing body.

Let us now look at Bill C-84, an act to amend the Criminal Code, which was introduced into parliament on February 24, 1976. It provides for a minimum sentence of imprisonment for life for a conviction of first degree or second degree murder. First degree murder is defined as a murder which is planned and deliberate and includes the murder of a police officer, a prison official or a murder committed during the commission of certain offences. Second degree murder is defined as any murder which does not amount to first degree murder. The bill provides that where a person is sentenced to imprisonment for life in respect of conviction for first degree murder, he is to be sentenced to imprisonment for life without eligibility for parole until he has served 15 years of his sentence. In respect of a person who has been convicted of second degree murder, he is to be sentenced to imprisonment for life without eligibility for parole until he has served at least ten years of his sentence or such greater number of years, not being more than 25 years, as is determined by the sentencing judge.

Since December 29, 1967, the death penalty for capital murder has been limited to cases where the accused, by his own act, has caused or assisted in causing the death of a police officer or a prison officer acting in the course of his duties, or counselled or procured another person to do any act causing or assisting in causing the death. Since 1967, 33 policeman and two prison guards have been slain, but the cabinet has not permitted the convicted murderers of these officers to be put to death. They have either had their sentences commuted to life imprisonment or are awaiting such commutation. No matter how you look at it, capital

punishment has been abolished for the past ten years in Canada. It is now time to examine this question again and ask ourselves, do we need to restore capital punishment for first degree murder?

Capital punishment is no doubt upsetting to many people. But there are many things in life which are necessary and unpleasant. For years, numerous clergymen, lawyers, sociologists and others have agitated for humanization of our penal system. Their efforts have succeeded in making our legal system more humane and more just. But in recent years I believe we have gone too far. Social scientists and criminologists have emphasized that society generally has created an environment which caused the criminal to act in the manner in which he did, and therefore society, not him, is to blame. But a battered society has discovered that these abstract theories linking crime to environmental causes do not translate into concrete programs to protect citizens against violent crime.

● (1620)

There are two sorts of argument in favour of the retention of capital punishment. First, there is the doctrinal or philosophical point of view which may be summarized as follows: human life is so sacred that every means must be used to protect it; he who takes away life deserves death. There is also the argument of deterrence: if, in taking away a life a man knows he is risking his own, he will not kill. There has been a great deal of debate about whether the death penalty is a deterrent, how much of a deterrent, and whether it is a greater or lesser deterrent than life imprisonment. Statistics support both sides of the argument, depending who quotes them. One argument is that most criminals plan a crime on the basis that they are going to avoid any penalty and that is the basis on which cold-blooded murders are committed.

But if we do not know whether the death penalty will deter others, we are confronted with two uncertainties. If we impose the death penalty and achieve no deterrent effect thereby, the life of a convicted murderer has been expended in vain, from a deterrent viewpoint. There is a net loss. If we impose the death sentence and thereby deter some future murderers, we shall have spared the lives of some future victims. As for prospective murderers, again they, too, are spared punishment because they will have been deterred. In this case the death penalty will have led to a net gain, unless the life of a convicted murderer is valued more highly than that of the unknown victim or victims. Being deterred from murder, the would-be murderer is spared imprisonment.

The calculation can be turned around, of course. The absence of the death penalty may harm no one, and therefore produce a gain, namely, the life of the convicted murderer; or it may kill future victims of murderers who would have been deterred, and thus produce a loss, namely, the loss of victims' lives. To be sure, we must risk something certain, the death, or life, of the convicted man, for something uncertain, the death, or life, of the victims of murderers who may be deterred. This is in the nature of uncertainty. When we invest or gamble, we risk our money for an uncertain gain. Furthermore, there is no shortage of reported instances wherein more than one homicide has been committed by the same culprit either as a result of not being apprehended in time, after being erroneously acquitted, or during an escape from prison.

This being so, it cannot be questioned that once a killer has been liquidated, he is for ever incapable of killing again. Considered in this light alone, it would seem that the death penalty in the past has achieved at least one purpose. If, in general, the threat of punishment is conceded to have a deterrent effect, then the severer the punishment, the greater the deterrent effect; and, logically, the death penalty should have the greatest deterrent effect of all. Like natural dangers, punishment deters those who are tempted to break the law. However, the threatened punishment may be so light that the advantage of violating rules tends to exceed the disadvantage of being punished. In this case the feeling of obligation tends to vanish as well.

While considering the question of the deterrence of capital punishment, we must examine the situation and position of crime and murder in present-day society. Statistics have demonstrated a grave increase in the number of violent crimes, namely, murder, attempted murder, manslaughter, assault, rape, and armed robbery. With regard to the murder rate in Canada, a criminologist in a recent study noted that the analysis of murder statistics during the period 1961-70 indicates that there has been an increase in the incidence of murder in Canada over the whole period, but that this increase was slow at first, gaining momentum since 1967.

Serious though this upward trend in the murder rate is, when we speak of a particular sentence or a punishment as a deterrent we ought to refer to the following statistics compiled by Dr. Jayewardene, a professor of criminology. He calculated, from available data, the murder rate and expectancy of punishment for the years 1965 to 1970. In 1965, the murder rate was 1.5 per 100,000 of the population over seven years old. The expectancy of the death penalty for those murderers was 0.2 per cent, the expectancy of life imprisonment 16.8 per cent, the expectancy of other imprisonment 20 per cent, the expectancy of probation or suspended sentence 1 per cent, and the expectancy of no punishment 61.9 per cent.

In 1970, the murder rate was 2.3 per 100,000 of the population over seven years old. Expectancy of the death penalty was zero per cent, of life imprisonment 13.5 per cent, of other imprisonment 24.6 per cent, of probation or a suspended sentence 0.6 per cent, and of no punishment 61.3 per cent. These statistics show that a good many murderers are not apprehended, are not sent to trial, are not convicted of a lesser offence or are not convicted at all. This demonstrates the need not only for stiffer penalties for murder but for better law enforcement in the apprehension and conviction of criminals.

Where murder is premeditated, it is only common sense to assume that not only the consequences in the event of detection, but also the chances of detection are ordinarly taken into consideration. Anyone who thinks criminals do not weigh the possibilities of getting caught and do not understand they could be executed is living in a dream world.

Three conditions are essential to the sound administration of justice: swiftness, certainty of arrest, and severity of punishment. We must make sure these conditions are restored in the administation of our criminal justice

system. Throughout this continent there has been a gradual decline in the administration of justice. Sentences imposed, while utterly destitute of uniformity, have nevertheless been notably reduced from those formerly regarded as the norm. For larceny and other offences generally, sentences are invariably far below the maximum prescribed in the written codes. Between 1961 and 1968, 28 individuals serving death-commuted sentences were paroled after spending an average of 12 years in prison prior to release. Between 1968 and 1974, this figure rose to an average of 13.3 years for the 42 persons paroled from death-commuted sentences.

Obviously, I and the hon. member for Ontario (Mr. Cafik), who spoke yesterday, researched data in the same area, but the hon. member for Ontario did not tell the House and the people of his constituency that 42 persons were paroled while serving death-commuted sentences: he refrained from mentioning that fact. Perhaps he did not want his constituents to know, or he did not want the House to know. I thank God we went to the same place for our research data. I am presenting the picture as it is, and telling my constituents the whole story. I think what the hon. member did was wrong. If we are to present a case, we should present it all according to the data we obtained from research, and not stop in the middle of a paragraph.

No wonder people today do not understand the courts and our judicial system. The man in the street is quickly losing faith in justice. Officials in society seem to be on the side of the criminal. Crime rates rise, not because of social or economic conditions but because persons realize that little or nothing will happen to them even if they are convicted. Re-establishing capital punishment and stricter punishment in general for social crimes will restore greater faith in our judicial system. It will give greater confidence to persons who wish to lead good lives and will give them a greater sense of security. Thereby, society will benefit. The old concept of reward and punishment will not be a relic of the past. It will reverse the too often criminal trend of present-day society.

● (1630)

Philosophers and theologians have argued that the state does not have the right to take the life of a citizen even if he has been convicted of an atrocious crime, because it is not up to the state to dispose of human life, which is God-given and not a gift from the state. The right of an individual to take the life of another in defence of his person is hardly contested. Why is it proper on occasion for a private citizen to take the life of another, while the state may not do so under any circumstances? The state has the right and the duty to defend the community against outside aggression, such as in time of war, and within the country, for instance in case of treason, crimes against the state, and so on. To the extent of taking the life of the aggressors and guilty parties, the citizen has the right to protect his own life by killing whoever attacks him without any reason. Thus, the state can do the same when a criminal attacks and endangers the life of the community by deciding to eliminate, summarily, another human being.

Capital punishment must be retained in order to prove the sanctity of the most precious thing, which is the gift of life; it embodies the repulsion and horror that we feel for the greatest crimes. Society has the right to protect the integrity of the human being and the life of its members against what threatens them. The argument in favour of life imprisonment as a substitute for the death penalty is fallacious. If the state is to be denied the right to take the life of one of its members, then by the same token it should be denied the right to deprive that member, in perpetuity, of his liberty which excludes him from all hope of freedom and rehabilitation.

Those opposed to the death penalty frequently argue that there is always the possibility of an innocent person being executed through error, and that to avoid such tragedies it would be better that no one be executed.

The likelihood of judicial error has been diminished enormously through the institution of courts of appeal in all criminal matters. Invariably, a verdict of guilty of murder is subject to minute scrutiny through, not one but a series of appeals, and not infrequently by retrials. Stringent laws of evidence reduce still further the possibility of judicial miscarriage. The art of cross-examination, skillfully used by able and experienced lawyers, whether employed by the accused or appointed under a legal aid program, make corrupt and perjured evidence more difficult than ever. Organized bodies of opinion, along with a vigilant press, stand in readiness to raise the alarm on any suspicion of judicial railroading.

Much is made of the comparatively remote possibility of an innocent person being hanged for a crime he did not commit, yet hardly any notice is ever taken of the lethal aftermath that can follow an erroneous acquittal. It is ironic that when known killers are liberated, no similar fears are voiced as to the possible consequences to some innocent persons as yet unknown. Wanton murder is so extremely morally wrong that the punishment must remain proportionately severe in order to emphasize the outrage of society; otherwise the potential murderer will infer that society no longer regards the crime as most heinous and even if, from the philosophical point of view, the death penalty may have doubtful legitimacy, it nevertheless represents a political necessity for the protection not merely of society but of the social order itself.

The Solicitor General (Mr. Allmand), in explaining Bill C-84, justified the imposition of a 25-year minimum sentence, instead of capital punishment, as being more humane treatment of a convicted murderer. But is it more humane treatment? Long prison terms may justly be criticized as being repulsive, as being punishment of the sort condemned in the language of the constitution of the United States of America as cruel and unusual. A sensitive society must shrink from the infliction of such prolonged punishment as it should shrink from the torture. In most cases, it is not a punishment which fits the crime but punishment which balances slow, psychic death against the sudden killing. Those who speak or think humanity must forget long prison terms. A person who has spent many years behind bars and concrete walls degenerates beyond recognition into a class close to vegetation.

If the Solicitor General hopes to achieve the rehabilitation of convicted murderers, and therefore justify their escape from death, how can he expect a person who knows that he will be behind bars for such a long time to honestly try to rehabilitate himself? Long, mandatory prison terms will give rise to a situation in which the maintenance of

discipline within prison walls will become increasingly problematical, requiring more staff and, not least of all, placing in jeopardy the lives and morals of the rehabilitative elements of the prison population.

In any event, capital punishment is required in the case of a subsequent murder in prison or in the course of escape by a convicted murderer because if this existing deterrent were removed, apprehension would exist concerning the safety of the prison staff and the general public from prisoners for whom, because they were already serving a life sentence, a further sentence of imprisonment could have no deterrent effect.

Capital punishment must be retained and restored. Any threat of punishment—be it death, imprisonment, fine or chastisement at school—once recognized as a mere bluff obviously ceases to be a deterrent. Our concern should not be for convicted criminals but for law-abiding Canadian citizens and the victims of crimes committed by criminals. Perhaps here we should be speaking for the dead, not for those who caused them to die.

The notion of an orderly society is beginning to erode, and when erosion starts who knows where it will end? This falling away of society from its reliance on the upholders of law and order must be halted. There must be punishment for committing crimes, and that punishment must be carried out. Society will no longer tolerate subservience to that philosophy which sees all criminality solely in terms of sickness, and therefore devotes more attention to its alleviation than to the alleviation of the unrest that the sickness—if that is what it is—is spreading throughout society.

● (1640)

Mr. Jim Fleming (Parliamentary Secretary to Minister of Communications): Mr. Speaker, it is about three years since I last rose in the House of Commons and addressed myself to the issue of capital punishment in Canada, and I think in that interval, whatever side of this question we as members of parliament come down on, we must admit that we have seen an increasing problem of crime and an increasing concern by the public across Canada, especially in our major urban areas, about the increasing danger to public safety and well-being. Because of that increased problem of crime and increased fear of the consequences of crime, the government did have a responsibility to bring forward legislation at this time which would reassure the public and counteract the increasing crime which we face.

I believe that not only the peace and security package which is now before committee and which has had second reading in this House, but also this bill will toughen the law to give Canadians better public safety. It would be very sad indeed if it is not brought to the attention of the public that this bill, which will abolish capital punishment, will in turn greatly broaden and strengthen the Criminal Code in combating the most serious criminal elements.

First, however, in addressing myself to this question today I should like to deal with the issue which seems to be central to most debates on capital punishment, and that is the question of deterrence. By hanging or executing, is society going to deter others from crime? Initially, I admit, there is one deterrent effect, and that is that the person who is hanged certainly cannot commit crime again. Beyond that, however, I think there is a great deal of evidence which casts doubt, if it does not altogether finish the argument, as to whether the death penalty is a deterrent. In "The Annals of the American Academy of Political and Social Science", as far back as 1952 a report was presented by a man named Schuessler entitled "Murder and the Penalty of Death". One excerpt from that article reads as follows:

> —statistical studies have uniformly concluded that the death penalty is inconsequential as a deterrent and that relative frequency of murder in a given population is a function of the cultural conditions.

As far back as almost a quarter of a century, careful analysis brought that forward. Perhaps the leading expert in the United States on the question of the death penalty is Professor Thorsten Sellin. As a result of his study on capital punishment and abolition from 1955 to 1967 he reported:

> —on the whole the abolition states, as is apparent from the findings, seem to have fewer killings but the differences are small. If this, then, is the argument upon which the police are willing to rest their opposition to the abolition of capital punishment, it must be concluded that it lacks any factual basis.

In Great Britain, the royal commission on capital punishment held hearings from 1949 to 1953 and reported as follows:

> The general conclusion which we have reached is that there is no clear evidence in any of the figures we have examined that the abolition of capital punishment had led to an increase in the homicide rate or that its reintroduction had led to a fall.

From the special commission for investigating abolition of the death penalty in capital cases for Massachusetts, in 1958, I quote the following:

> There appears, in fact, to be no greater deterrent effect in capital punishment than in a sentence of life. It does not contribute to the reduction of murder, it is simply an easy and harmful way of satisfying the need "to do something about it".

Having presented that evidence from the United States and from Great Britain, ranging from as far back as 24 or 25 years ago, I should like finally to argue that over the years commissions which have carefully studied this question have repeatedly come to the conclusion that society's killing is not a deterrent. Now I simply want to put forward a very simple comparison of abolition states with retention states in the United States. In 1970 there were 75 murders committed in Minnesota, or two per 100,000 population. In the same year there were 88 murders in Wisconsin, or two per 100,000 population. In 1970 there were 30 murders in Rhode Island, or 3.2 per 100,000 population. Minnesota, Wisconsin and Rhode Island are all abolitionist states. On the other hand, some of the highest murder rates are found in states where capital punishment has applied for a long time. For instance, in 1970, in Florida, where there is capital punishment, there were 860 murders, or 12.7 per 100,000 population. In 1970, there were 377 murders in South Carolina, or 14.6 per 100,000 population.

Having dealt with the question of whether the death penalty is a deterrent, and hoping that hon. members will consider the opinions of those august bodies in North America and in Great Britain, and also the comparative statistics which surely suggest that the death penalty has not been an effective deterrent in the United States where it has been carried out, I will then move on to the law as it

will remain if this bill is not passed by parliament. At the moment, the law says that the killers of policemen and prison guards on duty are liable to capital punishment. No other kind of murderer ever is liable to the same extreme penalty.

I have the greatest respect for Canadian police forces, for the RCMP, and certainly for the police force in my own area of metropolitan Toronto, but in all fairness it should be pointed out that police officers and prison guards go into their work knowing the risks they face and they are trained to be prepared for those risks. I am arguing that the law as it is now constituted simply does not seem to be fair. If we investigate statistics of the average of fatalities on the job for 10,000 employees in Canada from 1964 to 1973, the highest on the job fatality rate is for miners. The second highest is for loggers, then fishermen, transport workers, labourers, and police officers rank sixth. Following that are craftsmen and—I see the Minister of Agriculture (Mr. Whelan) looking my way—farmers.

The fact is that there are many jobs in Canada where the risk of losing life at work is much greater than it is for police officers. That does not detract for one moment from the seriousness of their work and the fact that the state must provide them with some protection in the most responsible manner possible. However, I believe it does suggest that the existing law is not fair or equal and does not consider the reality of statistics with regard to murder and also statistics on death on the job in Canada.

I should like to talk for a moment about whether the existing law, capital punishment, is in fact an effective form of justice. Does the law, as it now stands, make it possible for the judicial system to carry out penalties and to deter crime? On the question of whether capital punishment is effective, I should first like to quote from Professor Fattah's study on the deterrent effect of capital punishment, which was done for the Department of the Solicitor General in 1972. In that report he says:

> If it is true that the promptness and swiftness of punishment are important factors to its effectiveness, then capital punishment should be the least effective since the time-span between a murder and execution is usually much longer than other crimes. The slowness of capital punishment is something inherent in its very nature.

I will quote one of the most distinguished law enforcement officers in the world, the commissioner of Scotland Yard, Sir Robert Mark. In a speech given in Toronto in August of last year, Sir Robert Mark said:

> The best deterrent to crime is the likehood of detection followed by the certainty of conviction rather than the reliance on savage penalties unlikely to be applied in many cases because a proper finding of guilt is prevented by the operation during investigation and trial of safeguards rightly designed to protect the innocent from a sentence of death . . . I am therefore opposed to the death penalty and so are most of my senior and most experienced colleagues simply because its continuance prevents the reforms necessary to increase the effectiveness of criminal justice.

● (1650)

So, Mr. Speaker, from both the report prepared for the Department of the Solicitor General of a study of the issue here in Canada, and from the commissioner of Scotland Yard, we have strong statements to the effect that if you want effective justice, if you want the criminal element to appreciate that the worst of all crimes will be seized upon and punished, then the most effective justice is not the death penalty.

May I also address myself for a moment to the question of the injustice of the death penalty. While there are many arguments in this area, I simply want to refer to one or two in particular. I believe that most people will accept the statistics in the United States showing that poor people—blacks, poor whites and minority groups—are executed in numbers far disproportionate to their more affluent, and in most cases white, neighbours. If capital punishment is a deterrent, it would seem that these groups who have suffered most from capital punishment would be the most obedient.

Again, the converse is true. Surely the reality of the situation is that cultural and social conditions help to contribute to the development of a criminal character. People who are underprivileged or denied certain advantages are more likely to enter upon crime. The latest figures available indicate that there are 114 people under sentence of death in the United States. Of these, 61—more than half—are black and three are American Indians. All, or almost all, are poor or not capable of expensive legal procedures. Lack of money for adequate defence and investigation in turn can lead to mistakes.

So that if we say, Mr. Speaker, that we want on our law books the ultimate of all penalties, that of taking away life, which means you cannot later appeal, or if there has been a mistake seek redress, or give the person the opportunity of rehabilitation, we are saying that someone who is rich who commits the most terrible of all crimes will not die. I can find no example—and I challenge any member of this chamber to find one—of a wealthy, white person in North America having been executed in the last several decades. On the other hand, we can find examples of poor, underprivileged people, people who come from such an environment, who have been executed. In effect, this means that you are applying the law unequally and discriminating against those who are maladjusted, those with distorted minds who come from a poor environment. But not the wealthy whose crime is just as serious. Lewis Lawes, for many years warden of Sing Sing prison, is quoted as saying:

> Not only does capital punishment fail in its justification, but no punishment could be invented with so many inherent defects. It is an unequal punishment in the way it is applied to the rich and to the poor. The defendant of wealth and position never goes to the electric chair or to the gallows. Juries do not intentionally favour the rich, the law is theoretically impartial, but the defendant with ample means is able to have his case presented with every favourable aspect, while the poor defendant often has a lawyer assigned by the court . . . with no experience.

Surely, when someone such as the warden of Sing Sing prison, which has contained so many notorious inmates within its walls, comes to such a conclusion we must seriously consider his views. Finally, on the question of the injustice of the death penalty I should like to quote the right hon. member for Prince Albert (Mr. Diefenbaker) who had this to say:

> There is no equality among individuals who are charged with murder. For example, you do not hear of many wealthy men going to the gallows.

Reference has been made by one of my colleagues on the other side who spoke in favour of retention to holding a

referendum. May I briefly point out that in Canada, as I understand it, a referendum has, and would have, no force in law. It would be a recommendation to parliament, and parliament would still have to decide. Surely this is why we are elected here, to consider responsibly the material and evidence put before us and to reach a decision. Let me just point out, however, that in California, where a referendum does have some force, such a referendum was taken a year or a year and a half ago and overwhelmingly called for the death penalty. In the six months that followed, the murder rate increased markedly.

May I call it five o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Northwest Territories (Mr. Firth)—Northern Affairs—Issuance of new permits to drill for oil on native land—Government position; the hon. member for High Park-Humber Valley (Mr. Jelinek)—Sports—Reason for alleged double standard in dealing with South Africa; the hon. member for Surrey-White Rock (Mr. Friesen)—Penitentiaries—British Columbia—Suggested need for reorganization of staff—Confidence of minister in administrator.

It being five o'clock p.m. this House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions (papers).

PRIVATE MEMBERS' MOTIONS FOR PAPERS

[*English*]

The Acting Speaker (Mr. Turner): Motion No. 34 in the name of the hon. member for Vegreville (Mr. Mazankowski). Shall the motion stand at the request of the government?

Some hon. Members: Agreed.

Mr. Paproski: Mr. Speaker, on a point of order, I think it has been agreed that we shall proceed with No. 70 and let the others stand.

Continental Shelf Boundary

ST. PIERRE AND MIQUELON—CORRESPONDENCE BETWEEN CANADA AND FRANCE ON CONTINENTAL SHELF BOUNDARY DISPUTES

Mr. Jack Marshall (Humber-St. George's-St. Barbe) moved:

That an humble address be presented to His Excellency praying that he will cause to be laid before this House copies of all minutes of meetings, letters and telegrams pertaining to the negotiations which have taken place between the government and France on the continental shelf boundary disputes with regard to the France-Canada boundary around the islands of St. Pierre and Miquelon.

He said: Mr. Speaker, first of all there is a small dilemma in that there appears to be a typographical error in my motion as printed in the order paper. Reference is made in line five to the United States. It should read "France," not "the United States." I think there is agreement on the other side that the motion should be considered with that change.

Mr. Deputy Speaker: Order, please. Hon. members have heard the suggested change made by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall). It is probably a printing error, but whatever it is I am sure hon. members will agree to allow the hon. member to make that correction.

Some hon. Members: Agreed.

Mr. Marshall: Thank you, Mr. Speaker. I ask for a debate on this motion in view of the implications that this tiny island of St. Pierre and Miquelon can have in regard to Canada's position in proclaiming a 200-mile fisheries zone or economic zone, or indeed the extension of limits to the edge of our continental shelf. I see no reason why my request for documents or for the production of same would be harmful to Canada's position during negotiation and discussion with our friendly neighbour.

I also want to know, as well as every Newfoundlander, in view of the province's proximity to St. Pierre and Miquelon, what will be Newfoundland's future in regard to its offshore resources, resources that are vital to its future economy. We also want to know what is the position regarding settlement of adjacent boundaries.

If one looks at a map, Mr. Speaker, one will see that the islands lie, at their closest point, 14 nautical miles south of Newfoundland. But, more important, a Canadian island, Little Green Island, lies only three miles from the French coast line. In ongoing negotiations between Canada and France, which continue in secrecy, evidently Canada's view is that a median line should be drawn between Little Green Island and St. Pierre which would put the boundary 1½ miles from the French coast. The French maintain that the boundary should be mid-channel between their islands and the Burin peninsula, which would give no territorial sea rights to Green Island.

● (1700)

The islands were ceded to France by Britain by the Treaty of Paris in 1763 and the Canadian government, and rightly so, is of the opinion, at present, that Canada should have a chance to renegotiate the terms inasmuch as they were agreed upon by two other countries, Britain and France. The islands are less than ten miles by ten miles in

area and are inhabited by citizens who fish, fur farm, and it has become a tourist attraction. On the basis of its sovereignty position, France is claiming ownership of the mineral resources of about 20,000 square miles of continental shelf and can base its claim in international law under the Geneva convention of 1958 which, by article 6, established the doctrine of equidistance for the determination of boundaries between the continental shelves of opposite and adjacent countries.

Under this doctrine, France claims offshore gas, oil and mineral rights from the median line to the nearest parts of Canada on three sides, and southward more than 200 miles to the outer edge of the continental shelf. But, Mr. Speaker, because this large area is so out of proportion to the size of the French colony as compared to Canada that we, Canada, are seeking and are taking the position that special circumstances as mentioned in the Geneva convention justify another boundary delineation which would give a smaller area to France. I am in support of this position.

In 1967, France issued an oil exploration permit covering the islands and adjacent waters to Petrosar, a company in which the French government has a large interest, and in the next year the French government passed a law regulating and proclaiming sovereign rights over the exploration for and exploitation of natural resources of the continental shelf adjacent to the French territory, specifically including overseas French territories. In the same year, Ottawa retaliated by issuing permits to Gulf and Mobil oil which overlap the French permit, and since that time there has been no accord in negotiations, unless, Mr. Speaker, this accord is also being kept in secret and is one of the reasons why I was asked to remove my notice of motion.

It is apparent from what I can gather, Mr. Speaker, that neither side wants to go to the International Court of Justice as both have telling and reasonable arguments. Needless to say, other matters, such as agreements on fishing rights and responsibility for pollution, will be dependent, as well, on the outcome of these negotiations which evidently are taking place, the contents of which are not made available.

From what I can gather, too, there is an agreement regarding fisheries between France and Canada in the area between the French islands and the province of Newfoundland, but the agreement is simply a convenient arrangement to take care of the fisheries problems for now and has not settled the question of ownership of the continental shelf resources. This agreement provides:

> No provision of the present agreement shall be interpreted as prejudicing the views and future claims of either party concerning internal waters, territorial waters, or jurisdiction with respect to fisheries or the continental shelf resources, or the bilateral or multilateral agreements to which either government is a party.

Let us look at the factors which are relevant to the present position as it refers to the Law of the Sea conference. Canada's submerged continental margin, which can include, if we stand up for our rights, both the continental shelf and the continental slope seaward to the ocean depths, is estimated to cover almost two million square miles, an area about half as large as the total land area of Canada, the second largest in the world, exceeded only by the U.S.S.R. Yet, Mr. Speaker, Canada will not take the position, as she should, that we should rightfully claim priority over a little blob of land ten miles by ten miles in

area, and keep negotiating because we continue to be good fellows with other nations, to the detriment of Canadians.

Under the schedule of the terms of union of Newfoundland with Canada, as it applies to the province that I represent, these terms express the following:

> On, from, and after the coming into force of these terms of union hereinafter referred to as the date of union, Newfoundland shall form part of Canada and shall be a province thereof to be called and known as the province of Newfoundland.

More important, Mr. Speaker, No. 2 of the terms relates "that the province of Newfoundland shall comprise the same territory as at the date of union, that is to say, the island of Newfoundland and"—I stress this, Mr. Speaker—"the islands adjacent thereto". Unfortunately, this only refers to the coast of Labrador as delineated in the report delivered by the judicial committee of His Majesty's privy council on March 1, 1927, and approved on March 22, 1927. Unfortunately those who signed the agreement with Canada forgot the adjacent islands of St. Pierre and Miquelon, which were not even mentioned, or at least this emphasizes the lack of foresight and ignorance of the resource potential off Newfoundland's shores by those supposed experts who were reputedly sincere in their efforts in joining Canada.

I feel that I should make reference to the more current situation that exists in St. Pierre-Miquelon, and I do so as a result of the fact that I was interested enough last year during the summer recess to visit that island to assess personally the situation vis-à-vis Canada's interest, and hopefully to come to some conclusions because of the passive interest indicated by Canada. My visit was prompted, firstly, as a result of Canada's closing of eastern Canadian ports to the Russians as a result of their overfishing, and this again emphasizes Canada's lack of attention to the effects of St. Pierre-Miquelon. Needless to say, agreement was reached after discussions with the Soviets to reopen the ports to Russia, but we should not be deluded into thinking that the Soviet Union could not have used St. Pierre as an alternative port.

We were led to believe that the port facilities were not extensive enough to handle foreign trawlers but, Mr. Speaker, extensive plans are being made to expand port facilities. The harbour development work undertaken during the last decade offers much improved facilities for foreign fishing fleets. The harbour can accommodate up to 40 vessels at a given time, and with proper control as to timing of the arrival of vessels the port could handle many more. Indeed, Mr. Speaker, in the last year for which figures are available, 1972, there were 1,136 visits made to the port of St. Pierre by vessels from 22 nations. Spain, for example, made 585 visits. Reference to "Harbour Notes" information also discloses that the services offered for supplies, fuel and water are as good as those offered in Newfoundland or Nova Scotia ports, and costs are generally competitive with, or in some cases lower than, in those two provinces. Certainly from what I could conclude after my visit, they are not going to stand idle, and it is obvious that further closing of ports in Newfoundland would see an upturn in investment and activity in St. Pierre to expand its port facilities, and this is already taking place.

I feel it is worth while mentioning that I visited a new, massive fish plant which to my mind would put to shame anything that I have seen in the Atlantic region.

Mr. Abbott: Mr. Speaker, I rise on a point of order. I want to point out how unfortunate it is that the excellent remarks of the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) have not been listened to by more than one supporter in the official opposition, and for several minutes during his excellent remarks there was no one in his place except the hon. member himself.

Some hon. Members: Shame.

Mr. Paproski: Mr. Speaker, I do not think that is a point of order. There are committees sitting at this time.

Mr. Guay (St. Boniface): That's a good point of order; a very good point.

Mr. Paproski: If this is the kind of game the government wants to play, we are prepared to play the same type of game.

Mr. Guay (St. Boniface): What game? There is no game.

Mr. Deputy Speaker: Order, please. I must say I agree with the hon. member for Edmonton Centre (Mr. Paproski) that this is not a point of order, and I think it does not help the debate in any way.

Mr. Marshall: Mr. Speaker, I have as many good friends on that side as I have on this side, and I am sure they are listening.

An hon. Member: Even more.

Mr. Marshall: We have our friends to the left who are listening.

Mr. Knowles (Winnipeg North Centre): That is what counts.

Mr. Marshall: Mr. Speaker, I was saying that I think it is worth while mentioning that I visited a new, massive fish plant which to my mind would put to shame anything I have seen in the Atlantic region. The plant has a capacity of 500,000 cubic feet and two air-blast freezing tunnels of 10 or 12 metric tons per day each. The warehouse has been granted duty free status; that is no duty is paid on goods brought in for freezing and/or storage and subsequently shipped out of the islands.

It was obvious to me that even though the fishery has been declining, new, modern vessels are being added to the fleet from France. Similarly, only one small section of the plant was being utilized. One does not have to be too imaginative to conclude that expansion of the industry is seriously being considered, perhaps by agreement with other nations, to process their catches there. I think I should mention too, Mr. Speaker, that during my visit I was received by the commissioner and was shown every courtesy, even to the use of his official chauffeur-driven vehicle with the head of tourism as a guide while I visited the various points of interest.

● (1710)

I must say, too, that Canada has many friends amongst the population, and I noticed with pride that even a few Canadian flags were flying. However, Mr. Speaker, I feel very strongly about this matter and I say to all members of this House who are showing an interest in Canada's impending declaration to extend her limits that the existence of this little, minuscule blob of land could cause serious complications to Canada's position. Indeed, as I see it, St. Pierre, on behalf of France, could extend her limits to 200 miles and claim, as I indicated before, and is claiming, ownership of the mineral resources of about 20,000 square miles and can base its claim under the 1958 Geneva convention which, by article 6, established the doctrine of equidistance.

France claims equidistance between Burin and St. Pierre, a distance of 14 miles. Canada feels, and rightfully so, that the equidistance line should be drawn between Little Green Island and St. Pierre, a distance of three miles. While I realize that the situation may be delicate, I am sure, through the good relations that exist between Canada and France, that mutually acceptable agreements can be worked out. But, Mr. Speaker, the stakes are high, not only because of the valuable resources that exist, the ownership of which must be decided upon, but also because of my province's involvement, its claims against those resources and ownership and its rights as part of Canada.

I ask the obvious question: In the ongoing negotiations with France, that are now taking place, is the province of Newfoundland, whose economic future is vital to the extension of Canada's limits, and whose stakes are high in the determination of ownership of the resources off its coasts, being consulted in the ongoing negotiations between Canada and France; and if not, why not? Just what is the position of Canada vis-à-vis St. Pierre-Miquelon when she extends her limits to 200 miles or to the continental shelf?

I feel very strongly, however, that a most important matter becomes vital and necessary at this time; that is, Canada should be thinking seriously of making a proposal to France with the objective of acquiring the French islands on some mutually agreed basis. In this way Canada could solidify her sovereignty and certainly tidy up the precarious and continuing controversy which will persist over the years over ownership rights involving the two countries as well as the province of Newfoundland. Certainly, a feasibility study could be carried out on the social and economic benefits which would result, and the surrounding factors. While some might consider this a delicate proposal, I feel it is time that Canada asserted her historic rights to correct the mistakes made when the islands were ceded to France by Britain in 1763; and we must assert our position due to historic changes that have taken place in the 213 years that have elapsed. I feel that France would, or should, consider such a proposal seriously.

Finally, Mr. Speaker, I would welcome participation by my colleagues. I know they will support my motion for production of papers so that parliament can look into all the factors pertinent to a declaration of Canada's position vis-à-vis the islands of St. Pierre and Miquelon.

Continental Shelf Boundary

[*Translation*]

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am eager to take part in this debate because, as you all know, I represent a constituency where water is predominant. Indeed everyone knows that lake Nipissing is not as big as the Gulf of St. Lawrence, but in any case we know what a coast is. However, this is not what I want to talk about.

[*English*]

Mr. Speaker, I understand that the topic and proper response to the subject matter and merit of the remarks of the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) will be handled by the Parliamentary Secretary to the Minister of the Environment (Mr. Baker), as well as by the hon. member for Saint John-Lancaster (Mr. Landers). My comments will be directed basically to the procedural aspects of this particular motion.

It is regrettable that in effect these debates on notices of motions for the production of papers tend to be rather academic, in the sense that we do not deal with the merits of the notice of motion for the production itself but, basically, with the subject matter which motivated the member to present the motion in the first place. Effectively, we ignore and do not give sufficient importance to this particular procedure which becomes more and more essential to the proper functioning of this House and the role each member plays as an individual and as a private member.

This particular procedure was intended to involve debate on whether certain documents ought to be presented to this House and ought to be produced by the government. What has taken place in the past is that certain documents have been requested of the government, and upon these particular documents not being produced the motion has been transferred for debate before this House at a given time, namely, private members' business.

Effectively, what has developed is exactly what is taking place today. The hon. member for Humber-St. George's-St. Barbe is presenting a matter that is very close to his heart and to the heart of his constituents. He debates that particular subject matter and does not at all seek to obtain production of the documents in the full knowledge that they will not be produced. He does not attempt to persuade the members of this House that the documents in fact ought to be produced, because he recognizes full well that the documents he seeks to have produced do not fit into any of the categories that are internationally recognized as being documents producible by governments.

The hon. member is seeking to have produced telegrams, letters and communications which reside within the realm of external affairs and exchanges between governments. It has been recognized by legislation passed in the United States and Sweden that that sort of material is privileged and ought not, in the public interest, be produced. We note from the remarks of the hon. member that he did not seek the production of those documents because he effectively recognizes this.

Mr. Marshall: I rise on a point of order, Mr. Speaker. The hon. member evidently was not listening. I was giving the background to the reasons I wanted the papers produced, so that we would have the whole picture and could decide on the importance of having those papers produced. The hon. member may say I was only trying to bring up this topic because of my interest in it, but he is only taking up the time of the House unnecessarily.

Mr. Blais: Mr. Speaker, I was about to indicate that last week I had occasion to be in England and take part in a seminar on the question of freedom of information. The question of the production of documents was one of the matters discussed at that particular conference, and I felt this was a singular opportunity to indicate to the members of the House what my personal views are with regard to this particular procedure and to express, as well, my regret that the initial purpose of this procedure has been somewhat diverted. It has somehow not been dealt with in the way initially intended. I simply wish to indicate that the committee on statutory instruments presently is studying the matter of freedom of information.

● (1720)

Sufficient time is not being devoted to this issue by the House, nor are members of parliament being urged sufficiently to pay more attention to what is happening in that particular committee to make sure that the recommendations forthcoming from the committee relating to freedom of information will include a transformation of this procedure so that it becomes meaningful, and so that it becomes one where the effect of the motion that is presented is to seek, bona fide, the production of documents and not to present requests for documents knowing full well that they cannot be produced in the national interest, and not to seek, as the hon. member for Humber-St. George's-St. Barbe has attempted to do, to transform Canada into an acquisitive nation attempting to take over territory that has been recognized in international relations as being foreign. I suggest to him that perhaps more time should be spent more constructively in dealing with these matters by discussing the merits of the whole procedure with which we are presently engaged.

[*Translation*]

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I listened with enormous interest to the comments made by my colleague from Nipissing (Mr. Blais), who just came back from a seminar on motions for the production of papers, and he has said ten times better than I would have been able to what precisely concerns me, for this motion No. 70 which we are now debating is only one of those presented by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall).

Before coming to the discussion of the production of papers, rather than of the beautiful province of Newfoundland, the treaties of the Union or the heartfelt speech which the hon. member made in support of our efforts and concern for the well-being first of Canadians and second of our human brothers, which have been described at the Law of the Sea Conference by all our ministers, and especially those from eastern Canada, I want to tell him how much I sympathize with his motion, unless he meant it as a joke, to the effect that another province of Canada should become in majority French-speaking. This will indeed enable me, in the future, to pronounce the name of his constituency in French, "Sainte-Barbe", which was the

original name. I was a bit surprised to hear that the hon. member for Humber-St. George's-St. Barbe wants to reverse the course of history and come back to the state of affairs which existed before 1763. He wants our department to simply acquire a parcel of foreign territory. I am slightly surprised by this wild suggestion. Another proposal which also surprised me was that following his first visit to St. Pierre-Miquelon, he certainly took French lessons, for which I want to congratulate him.

He worried because the U.S.S.R. seemed to try to manipulate France and get hold of its port facilities first, and then spread its supremacy. As I know France, however little I know it, I do not worry about its whole autonomy nor about its great shrewdness in dealing with foreign affairs.

[*English*]

I am therefore convinced that my hon. colleague opposite will go back to St. Pierre and Miquelon, and after a few more summers he will surely get the feel of the people of these islands and he may decide that he would like to see Newfoundland join them, instead of the other way around. However, this is being facetious. I am simply following the line of reasoning that he had introduced into this discussion—to my great surprise, I must admit.

This motion is framed in a way which may be unintentionally misleading since the choice of language implies that with respect to the geographical area mentioned there is an actual "continental shelf boundary dispute" between Canada and France. The word "dispute" is capable of a variety of different interpretations including, in the most negative sense, one meaning that intractable and irreconcilable differences have arisen between both sides and that each side has, as it were, drawn battle lines. I know he referred to 1763, but surely we are in 1976 and there is no such problem now.

While the delimitation of the continental shelf boundary between Canada and France in this area remains to be settled, we on our side hope that agreement can be reached in an amicable and neighbourly way. Indeed, to date consultations which Canada has had with France in this regard have proceeded on the basis of full co-operation between the two countries concerned.

The question of the delimitation of continental shelf boundaries between two or more states whose coasts are opposite one to another, or where the territory of one state is opposite the territory of another—such as in the present case—involves complex considerations of international law.

[*Translation*]

I too read, and I am no more of a specialist than my colleague the hon. member for Humber-St. George's-St. Barbe but since I have been parliamentary secretary and even before when I was only a member of the Committee on External Affairs and National Defence, I too read many documents issued before or after the third and the fourth Law of the Sea Conference. Since the hon. member has been sitting in this House longer than I, he knows the complexity of this problem much better than I. He also knows that the Secretary of State for External Affairs (Mr. MacEachen) comes from a so-called maritime province and he knows to what extent he has always be concerned with the improved condition of the Canadian people. He knows very well, and I am sure that nothing enables him to suggest that there is the slightest matter for concern in the case he puts forward in this House, which relates to a motion for papers. He may perhaps retort that when one says that the matter is complex one is really trying to hide behind too secretive an attitude, with a view to keeping back information instead of revealing it.

On the other hand, I am sure he will agree in recognizing with me that the mere reading of the papers of consultant geographers, assisted by experts in other fields who make up our law of the sea teams, illustrates without a shadow of a doubt, in the case of the public documents we know, how difficult it would be for laymen like us—and even for specialists, for that matter—to decide lightly that setting the limits of the continental shelf is an easy matter.

He need only refer to the text we studied in Committee on External Affairs and National Defence at the time of the 3rd Conference on the Law of the Sea, held in Caracas in August 1974, and to the paragraph which does not apply here, I believe, to the definition of territories, of archipelagic territorial waters, to know that the problem is decidedly multiple in its aspects, highly technical and very difficult to discuss, all the more so, without a black board and chalk.

● (1730)

[*English*]

If I come back to the question directly related to the production of documents, namely, the fact that the ongoing conference and the decisions that should be reached there could well have a bearing on any settlement of the continental shelf boundary between Canada and France in the area of St. Pierre and Miquelon thus changing the applicable legal rules presently contained in the 1958 convention on the continental shelf, to which both Canada and France are parties, and which would normally set out the legal guidelines for settling the boundary in this area, the hon. gentleman will agree with me that if we are a responsible government we should not interfere at this time and produce documents which, by the way, cannot be produced.

Canada and France have held discussions on the delimitation of the continental shelf off these two islands of St. Pierre and Miquelon. The discussions were held on a confidential basis, as mutually agreed by both sides, given the fact that important questions of rights to seabed and other resources are involved. The last round of consultations took place in 1972, at which time the legal issues were considered. Both sides noted the complexities of the issues involved, and particularly the complicating factor which would obtain should the international community accord coastal states rights to extend their jurisdiction beyond the limits now recognized by international law.

The records of these confidential discussions must, in the interest of Canada's relations with another country, be maintained as non-public documents. It would be wholly inconsistent with our understandings with the French authorities for us to publish materials which contain references to the French position.

Moreover, other material such as letters and telegrams pertaining to the discussions, and which may reflect on the Canadian position to be taken as and when discussions

resume, must also remain as classified or confidential, in order to avoid prejudicing the Canadian position.

It is therefore in the interests of maintaining Canada's objectives in the settlement of this issue that such documents remain undisclosed. Disclosure would have a counter-productive effect on the conduct of external relations both with respect to the immediate matter of concern and Canada's position in other sensitive areas, and on related Law of the Sea issues as stated in motions Nos. 71, 72, 73 and 74 standing in the hon. member's name.

As to the more legal and procedural aspect of documents, the hon. member for Nipissing (Mr. Blais) already described the framework as to when this tool of parliamentarians should and should not be used. I will simply refer my colleague opposite to the guidelines on motions for the production of papers, applicable in the case of the present motion, which were tabled by the Secretary of State for External Affairs (Mr. MacEachen) on March 15, 1973, when he was president of the privy council. Those guidelines established criteria to be applied—

[*Translation*]

—to determine when some official documents or papers of the government would be exempted from production.

When he tabled those guidelines, the hon. Mr. MacEachen said, and I quote him in closing:

[*English*]

We believe that members of parliament require factual information about the operation of the government in order that they may carry out their parliamentary duties. That statement is included in the general principle. We are also aware that the desire to make available as much information as possible must be balanced against effective public administration, protection of the security of the state and rights to privacy. It is always a delicate matter of judgment to balance the desire to make information available with the effective administration of the government, security of the state and other considerations.

I will not review the judgment of my colleague. I merely observed at the beginning of my reply to him that he made a beautiful speech on both Newfoundland and the Law of the Sea Conference, but unfortunately I shall have to ask him to withdraw his motion for the production of papers.

Mr. George Baker (Parliamentary Secretary to Minister of the Environment and Minister of Fisheries): Mr. Speaker, I am going to be very brief in dealing with the fisheries aspect of the motion. Noting his suggestion at the end of his speech that Canada or Newfoundland take measures for the acquisition of the territory of St. Pierre and Miquelon I can only conclude—and I am sure Newfoundlanders would conclude—that on the one hand the hon. gentleman is out to destroy the great tradition of rum running and, on the other, is in favour of possible instant bilingualism on the south coast of Newfoundland. That appears to be a Liberal policy.

Mr. Knowles (Winnipeg North Centre): You mean the rum running?

Mr. Baker (Gander-Twillingate): If you look at our maps and the history of the battles between the French and the English in Newfoundland you will notice that the territory of St. Pierre and Miquelon did not come under the control of Newfoundland. It seems somewhat unusual to have two small islands off the south coast of Newfoundland in which the people speak exclusively French—and Parisian French I am told. In fact some universities send their students down there for the summer months. I do not know why they do not send them to Montreal.

The hon. member who introduced the motion is absolutely correct that a problem exists with respect to the proposed 200-mile limit in the negotiations presently being conducted at the Law of the Sea Conference.

Negotiations between Canada and France with regard to the delineation of the continental shelf around the Islands of St. Pierre and Miquelon were suspended indefinitely in 1970, and have not been resumed.

Exclusive fishing zones were established off Canada's coasts in 1971, by the creation of fisheries' closing lines following amendments, in 1970, to the Territorial Seas and Fishing Zones Act and to the regulations made under the Coastal Fisheries Protection Act.

Bilateral phasing out agreements were concluded with those countries that had been previously fishing in the Gulf of St. Lawrence, as well as within the 12-mile territorial sea established by the 1970 amendments.

During the phasing out negotiations with France which were signed on March 27, 1972, a line was adopted that "determines the limit of the territorial waters of Canada and the zones submitted to the fishery jurisdiction of France". The line only runs along the north and east coasts of the islands and does not encircle them.

● (1740)

The phasing out agreement also established the rights of Canadian and French vessels on either side of the line; coastal boats may continue to fish in areas where they have traditionally fished. As for larger vessels, up to a maximum of ten French trawlers, maximum length 50 metres and registered in St. Pierre and Miquelon, are permitted to fish along the Canadian coast and in the Gulf of St. Lawrence on an equal basis with Canadian trawlers, Canadian trawlers registered in Atlantic ports receiving reciprocal treatment off St. Pierre and Miquelon. That agreement is in existence today. The 1972 agreement provides for a general right of French nationals to continue to fish in any extended zone of Canadian fisheries jurisdiction off the Atlantic coast, with reciprocal rights for Canadian nationals off St. Pierre and Miquelon.

The European Economic Community is in the process of determining a common fisheries policy and the effect of this on the status of the waters off St. Pierre and Miquelon with respect to other community members is not clear. There are reports that the islands' status with respect to France may be changed from that of a territory to that of a department. The effect of this on any EEC common fisheries policy is also uncertain.

In conclusion may I say that officials of the Departments of External Affairs and Environment are keeping in close touch with developments with a view to determining an appropriate time for resumption of bilateral discussion of the continental shelf boundary issue.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to speak briefly on the motion presented by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall).

Mr. Abbott: But the hon. member was not present to hear him speak.

Mr. Crouse: Mr. Speaker, I can only say to the hon. gentleman whose constituency escapes me—

Mr. Baker (Grenville-Carleton): Mississauga.

Mr. Crouse: —to the hon. member for Mississauga (Mr. Abbott), who said I was not here to hear the hon. member's speech, that I, as official fisheries critic for the opposition, read the hon. member's speech prior to delivery, which the hon. member for Humber-St. George's-St. Barbe can confirm, and am therefore aware of the arguments he presented to the House.

The hon. member raised a matter of great importance to Atlantic Canada, indeed to the entire nation, as it involves the control and management of the seas and of fishing limits off St. Pierre and Miquelon and jurisdiction over minerals. Actually the value of such offshore resources in the area is unknown at present. Therefore we, as members of parliament, must be aware of what Canada and France discussed regarding the ownership, management, and control of this important area.

The author of the high seas doctrine, the Dutch jurist Hugo Grotius, wrote in 1609 that most things become exhausted with promiscuous use. This is not the case with the sea. It can be exhausted neither by fishing nor by navigation, that is to say, in the two ways in which it can be used. The famous jurist was right in his time, but what he said does not apply today. During and even before the three decades since 1945, man found other uses for the seas. It is now used by massive fishing fleets using sophisticated methods which the fishermen have organized, with vacuum cleaning effect. We are considering such points at this time.

We have over-used or, perhaps more properly, misused the sea. Ancient and vast though it is, the sea cannot continue to be exploited and misused in this manner. Like everything else in the world, it has its limits. Human technology, as hon. members know, has now enabled us to fish whole species to virtual extinction. I am thinking of haddock, red fish in the Gulf of St. Lawrence, and of some of the cod fish in the area.

Man-made pollution from all sources damages fish and bird life and fouls the coastlines we use for recreation. Pollution can even upset oceanographic systems on which we depend for our climate and oxygen supplies.

I could go on at some length about the importance of Canada's establishing some control over this area. At the Law of the Sea negotiations in Geneva last year, which I was privileged to attend, unfortunately there were few discussions about the ownership of the areas surrounding St. Pierre and Miquelon. This, apparently, is considered a grey area. Apparently discussions are going on in secret. But we, as parliamentarians, must treat this question with more seriousness than apparently government supporters have treated it this afternoon. This is a serious and important matter, but it is not the only area in Atlantic Canada causing us concern.

Although what I am about to say may not be relevant to the point raised by the hon. member for Humber-St. Georges-St. Barbe, I would remind the House of difficulties concerning another area off the coast of Atlantic Canada, Georges Bank. The fishermen of Atlantic Canada are worried about the lack of negotiation and discussion with regard to Georges Bank taking place between the Department of External Affairs and American authorities. Here is an area off the coast of Atlantic Canada in which Canadians claim that the equidistant principle applies. If, in international discussions, that principle finds acceptance, Canada can rightly claim jurisdiction over about three quarters of Georges Bank, where we carry on a prolific scallop, lobster, and haddock fishery, to name just a few species. It is possible that we shall find oil, gas, and minerals in the area.

The Americans say that the equidistant principle does not apply to Georges Bank. They claim that the Fundy channel divides the area between Canada and the United States. If that concept is accepted in international law, Canada stands to lose jurisdiction over about three quarters of Georges Bank.

In support of the American claim the American Department of the Interior recently considered issuing some 206 permits to American oil companies to explore for oil and gas in the area. This is an area containing some 136 prime fishing grounds, of which at least some 50 are the chief spawning areas of haddock, hake, whiting, herring, and yellowtail, to name some of the important species which form the bulwark and main resource of our fisheries in Atlantic Canada. I fail to understand how the government cannot realize how important this area is to Canada.

Mr. Baker (Grenville-Carleton): They don't care.

Mr. Crouse: Obviously they do not care. I know, as a maritimer and Nova Scotian, that the fisheries account for about 2 per cent of our gross national product. We must keep emphasizing this point if the fisheries are to get the recognition to which they are entitled. We always appear to be low man on the totem pole. When we come to the examination of the estimates, the amounts accorded to fisheries and their development are very low.

Mr. Abbott: Because you are Tories?

Mr. Crouse: The hon. member for Mississauga says it is because we are Tories. I hope that that statement which the hon. member made from his seat, from which he usually makes his statements, which all too often are erroneous, is definitely not correct. I hope that Nova Scotia, New Brunswick, and Newfoundland are not being penalized because the people in those provinces prefer the concepts of the Conservatives to the hypocrisy of the Liberal party. I see that time is running on.

● (1750)

Miss Bégin: Speak to the motion now.

Mr. Crouse: Would the hon. lady like to continue her remarks? I listened quietly, patiently, and politely to her. I do not make it a policy to interrupt. I am sorry I cannot name her constituency.

Miss Bégin: Saint-Michel.

Mr. Crouse: I follow a course in this House of not interrupting my colleagues or those who support the government.

Mr. Guay (St. Boniface): She said you are doing great.

Mr. Crouse: If that is so, that is fine. I am in a section of the House where the sound does not carry.

In conclusion, I support in principle the request of the hon. member for Humber-St. George's-St. Barbe that the present administration give serious consideration to his request for the production of papers that will inform, and hopefully encourage us to understand better the steps being taken by the government to secure agreement.

It is perhaps the secrecy that surrounds the government's activities that causes us the most concern. We are as interested as anyone on the other side in trying to reach a suitable accommodation which would lead to a proper settlement of the areas that I mentioned, St. Pierre and Miquelon and the Georges Bank areas, both of which represent prolific fishing areas, not only to the fishermen of Nova Scotia but all of Atlantic Canada. Therefore, I hope that serious consideration is given to this request and that some action is taken by the government in the not too distant future on this important matter.

Mr. Mike Landers (Saint John-Lancaster): Mr. Speaker, I have learned something today. The hon. member for Mississauga (Mr. Abbott) pointed out that at one time there was only one member of the official opposition present in the House. I am glad to see that since they learned I was going to speak the number increased fivefold.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order. Naturally I look forward to the speech of the hon. member for Saint John-Lancaster (Mr. Landers). However, if the opening of his speech is any indication of its content, he might drive us all away.

Mr. Landers: Since their numbers have increased fivefold, I can only assume that they came to learn something.

Some hon. Members: Hear, hear!

Mr. Landers: Before starting this esoteric speech I wish to point out that not only was the hon. member for Saint John-Lancaster (Mr. Landers) present in the House when the point of order was raised, but also the hon. member for Winnipeg North Centre (Mr. Knowles) whose mother came from Saint John, New Brunswick. Therefore the southern coast of New Brunswick was represented not only in body, but also in spirit.

Basically the documents requested are not being made public because they fall under exemption No. 3 in the "Guidelines for Notices of Motion for the Production of Papers," under which are exempted:

> Papers dealing with international relations, the release of which might be detrimental to the future conduct of Canada's foreign relations; (the release of papers received from other countries to be subject to the consent of the originating country).

In addition, Mr. Speaker, the following exemptions apply in whole or in part to the documents requested: Exemption No. 10:

> Papers relating to negotiations leading up to a contract—

In this case a possible international agreement. Exemption No. 15:

> Internal departmental memoranda.

Motion No. 70 requests copies of all minutes of meetings, letters and telegrams pertaining to the negotiations. Phrased in these terms there can be little doubt that the motion requests documents falling under exemptions Nos. 3, 10 and 15.

Looking first at exemption No. 3, it seems reasonable to assume that there would be general agreement on not releasing documents if the release of the documents would be detrimental to the future conduct of Canada's foreign relations.

I see that I have run out of time, although I have much more to contribute to this particular debate.

An hon. Member: Carry on.

Mr. Landers: As I was just going to say, Mr. Speaker, the point at issue is whether the release of the particular documents requested would actually have such detrimental effects.

In this case there can be little doubt that there would be detrimental effects. The negotiations in question have been conducted on the understanding that they were confidential. To release the documents requested would be to make the negotiations retroactively public. In effect this would amount to a breach of an understanding, and this could scarcely fail to have detrimental effects on the future conduct of Canada's foreign relations.

Furthermore, the documents requested include communications from a foreign country, and under the guidelines it would be necessary to obtain the consent of the originating country before releasing the documents concerned. In this connection it is worth while recalling that the communications from the country concerned were received in confidence. The opposition is asking for documents to be produced that were received in confidence.

Mr. Marshall: Mr. Speaker, I rise on a point of order. I do not usually object, but the motion I presented concerns Canada's position in the world in international agreements. It not only affects the livelihood of Canadians, but Canada's position. It could affect many starving people in Third World countries.

I do not like to criticize any member, but this has become a joke. I wish I had not even presented the motion. I could have presented it in my own district through the press. It is disgusting to have to listen to this.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: Order, please. It being six o'clock, the hour appointed for the consideration of private members' business has expired. I do now leave the chair until eight o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Jim Fleming (Parliamentary Secretary to Minister of Communications): Mr. Speaker, when I left off this afternoon just before private members' hour I had attempted in the time then spent speaking to deal with the issue of whether capital punishment is in fact a deterrent. I had tried to address myself to the inequity of the existing law whereby only murder committed against policemen and prison guards on duty would bring that most severe of penalties. I attempted to discuss the justice of that penalty itself and whether justice would be better and more effectively carried out with the proposal in the legislation we are debating today.

I also discussed whether there was great injustice in the death penalty in that statistics prove that when the death penalty is carried out killers with wealth do not hang, and killers from a background of poverty do. I also attempted to refer briefly to the issue of a referendum, and in closing just before private members' hour I pointed out, and I simply want to re-emphasize, that while a referendum would have no force in law here in Canada and the decision would still be made in the House of Commons, I think it is very significant that in California, where the referendum forum does have some power in law, only a number of months ago the state voted overwhelmingly for the death penalty, and in the months following the murder rate rose markedly. Certainly it was not a deterrent there where the public had every expectation, as did the criminal element, that the death penalty was again to be carried out.

Now I should like to talk about the bill itself and about how it is different from the existing legislation. First, rather than have any capital punishment whatsoever, that would be abolished, and instead people convicted of first degree murder would spend at least 25 years in jail before they could be paroled. There is one exception to that, and it is an important exception. Before a triumvirate of three judges someone who had spent at least 15 years in prison could appeal for consideration that their behaviour had been so exemplary that they might be considered for earlier parole. If those three judges in concert agreed that that convicted murderer should be so considered, then the Parole Board in turn—with its new, changed membership, as proposed in the peace and security bill, with membership from the community into which the convicted would be released—would further consider whether it would be willing that such a person should be paroled.

I am pleased that the press has not placed great emphasis on this 15-year period, because while I very much support that part of the bill it is only a glimmer of hope—but a very important glimmer if some incentive is to be left when such a terrible penalty is imposed on the most serious of all criminals.

Having said that, I should like to hark back, as I did when I began my speech, to three years ago when last I spoke on this issue in the House of Commons. At that time, in the Commons, through releases to the media as well as in committee I, along with the hon. member for Saint-Denis (Mr. Prud'homme), proposed just about precisely what is included in this bill, and if I can in all honesty and sincerity say so, I believe if the government had accepted that proposal three years ago for a 25 year minimum sentence and for a broadened category of the most serious crime before parole consideration, we would not face the dilemma we face today. In fact we could have given the public a more effective law over the past three years.

It is tragic that sometimes it takes the government quite a while, with the burden of work it faces and the systems it must go through, to realize that on occasion its backbenchers, rather than its planners, can come forward with ideas which are in tune with the public mood and demand, much more quickly than does the bureaucracy.

At any rate, having given myself and the hon. member for Saint-Denis a pat on the back, I should admit that the 15 year clause is an addition which was not proposed at that time, and it is one I very much support.

While I am doing some light knuckle rapping I should also note that as a backbencher on the government side—certainly my hon. colleagues who are here tonight will agree with me—I find it very difficult indeed to get the attention of the media very often. I am somewhat amused that three years ago, when I proposed something with which the government did not agree, I received a great deal of consideration from the media. This time around when this proposal is being taken up once more, I am lost in the deep ranks of the backbenches.

● (2010)

Having put in those few notes I want to continue by saying, in support of the bill itself, that not only is the 25 year clause a very severe penalty which surely will be an effective deterrent, but it will also make it easier for juries to come to a conclusion. One of the arguments often advanced, I think a very credible one, one that has been put forward by Sir Robert Mark of Scotland Yard, to which I made reference earlier today, is that the process of justice is very long and that it is very hard to get a conviction from the jury when the penalty is death. On the other hand, if the jury is not faced with that ultimate decision, I believe that we will obtain more convictions and that the law will thus become a more effective deterrent.

It is also tremendously important that the Canadian public realize that we are not softening the law in this bill; in the total picture it is very much a toughening of the law. No longer is the penalty death only for the killing of police and prison guards on duty, which has meant perhaps for ten or 11 years of incarceration before parole. The law is

being broadened to take in the other categories of offences, such as premeditated murder, hijacking with murder, kidnapping with murder, and a whole series of sexual offences with murder. So I suggest we will have a much broader and tougher law covering a much wider range of the most serious of all crimes.

While I believe that Bill C-84 will in fact be a more effective and fairer means of dealing with those found guilty of murder, I also believe that we must bear in mind, that if the bill by itself does represent a toughening of the law which will bring about added public safety, although murder is the most terrible of all crimes it is but a very small proportion of the total area of violent crime. I should like to place on the record a few statistics to put this into perspective.

In 1962 there were 265 criminal homicides in Canada. This represented .75 per cent, or three quarters of one per cent of the total number of violent offences. In the same year there were 27,076 woundings and assaults, representing 83.1 per cent of the total number of violent offences committed. Four years later, in 1966, there were 248 criminal homicides, four tenths of one per cent of the total number of violent offences. In the same year there were 45,373 woundings and assaults, or 87.2 per cent of the total number of violent offences committed. Moving on to 1970 there were 425 criminal homicides in Canada, which was four tenths of one per cent of the total number of violent offences. In the same year there were 78,979 woundings and assaults, representing 85.5 per cent of the total violent offences.

What I am trying to point out, Mr. Speaker, is that capital punishment, or in its place a very severe jail term, will affect only the most minute portion of crimes committed in the whole broad area of criminal activity in Canada today. That is why, while this bill stands on its own, the peace and security package is equally if not more important when it comes to dealing with the 85 per cent or 87 per cent of violent criminal activity that takes place in Canada that does not relate to murder.

Much has been said about public opinion polls and the fact that they overwhelmingly show that the Canadian public are calling for capital punishment. I believe that the overwhelming number of Canadian citizens have focused on capital punishment because of their fear, having read reports, and from their own personal knowledge of increased crime on our streets. I believe that if the Canadian public were asked to sit down for a period of time and consider this issue, they would in fact realize that capital punishment alone will not bring them what they desire. In turn, Mr. Speaker, what the government is proposing in the peace and security bill, and in this broadened bill to deal with the most serious of all crimes, will be much more effective.

I should point out to the House that in my own party there has been some experienced and thoughtful debate on this issue. We came to the conclusion in convention last November that there should be a free vote on the issue of capital punishment as a separate item. We decided legislation should be introduced to abolish capital punishment, but the convention also wanted to tighten bail and to increase penalties for violent crime. Having had a chance to debate those issues and to consider them, a majority of the delegates, selected from various constituencies across Canada, arrived at the conclusion that the Canadian public would reach. If they would only stop long enough to consider these issues. If we could have their attention, we could explain how this abolition bill is toughening the law, not easing it and will improve public safety.

In turn, while this issue can be a very emotional one for either side, I did say at the convention when I had the floor that if anyone attacked or maimed my wife or child I suspect that I would personally want to tear them limb from limb before killing them, but that I would hope society at such moments would rise above one's own personal agony and hell. I very much believe that.

Some hon. Members: Hear, hear!

Mr. Fleming: I now want to deal with what I call the leaders' syndrome. I should first like to quote the contribution made by the right hon. Prime Minister (Mr. Trudeau) in the 1973 debate. He said:

> The most understanding of persons, in the face of lawless activity, will harden his attitude and will refuse to accommodate changes. Out of fear for his safety, and for the safety of his loved ones, even the most merciful of men becomes unwilling to assist the wayward.

If that applied three years ago, Mr. Speaker, it certainly applies a lot more today when we consider public opinion and our need to answer it responsibly. The Prime Minister continued:

> ... in this debate of the issue of capital punishment, I suggest that the premise from which we must begin our discussion is the basic one of the safety of Canadians. Our criminal laws, our penal system, our reform programs will be of little value if they do not respect the right of Canadians to live their lives without fear of criminal activity. The attributes of mercy and forgiveness cannot thrive in circumstances of fright and uncertainty ... The laws are not designed with any thought to trading off the safety of men, women and children in the pursuit of some social experiment.

Again that very much applies today; the proposed changes to the law will bring about measures to meet the public's demand for increased safety.

The Prime Minister went on:

> The choice of punishment... must be other than vindictive for no society can be vindictive and remain healthy.

While I do not have a quotation tonight from the late Lester B. Pearson, it will be surely accepted on all sides of this House that he too very much believed in abolition.

The former leader of the Progressive Conservative Party of Canada, the hon. member for Halifax (Mr. Stanfield), said this in the 1973 debate:

> I see no evidence that capital punishment is an effective deterrent.

He added:

> I do not want to be pontifical, but I think Edmund Burke was right when he said an MP has a duty to exercise his own judgment. It is my responsibility to exercise my judgment and this is what I am doing, not out of any sense of arrogance or superiority with regard to other Canadians, but in full belief that it is my responsibility to make up my own mind and to exercise my judgment.

Those are the comments of another abolitionist.

The leader of the New Democratic Party, the hon. member for Oshawa-Whitby (Mr. Broadbent), had this to say in the 1973 debate:

> I was elected, as were all members of the House, not simply to respond to the prejudices of our community. That is not my work here.

We are elected to look at the evidence in every case, whether it is capital punishment, taxation, or any other matter. We are elected to look at the evidence, to consider the well-being of mankind, including our constituents, and to make an honest decision.

The current leader of the Progressive Conservative Party of Canada, the hon. member for Rocky Mountain (Mr. Clark), said in the 1973 debate that 49.1 per cent of his constituents indicated that they would support a policy which meant the imposition of prison terms which really meant life imprisonment, or long imprisonment, instead of the death penalty. He went on:

It is important to reassert and respect the responsibility of parliamentarians to decide ourselves, in the final analysis, what course the country should take... The member of the Canadian parliament has a different and more difficult duty—the duty to be responsible to his constituents—to act in the way in which his judgment and conscience direct, and then to be judged. Our job is to judge; our fate, and restraint, is to be judged.

The new leader of the Progressive Conservative party is an abolitionist too.

The Progressive Conservative party is the only party in the House with three current or former leaders sitting in the House. I can go back to the remarks of the right hon. member for Prince Albert (Mr. Diefenbaker), who gave the famous Edmund Burke quotation of 1774:

Certainly, gentlemen, it ought to be the happiness and glory of a representative to live in the strictest union, the closest correspondence and the most unreserved communication with his constituents. Their wishes ought to have great weight with him: their opinion high respect: their business unremitted attention.

But, his unbiased opinion, his mature judgment, his enlightened conscience, he ought not to sacrifice to you—to any man, or to any set of men living.

We have those words in the records of the House of Commons.

● (2020)

The last Prime Minister of Canada, the former Prime Minister of Canada from the Progressive Conservative party, and two other leaders of the Progressive Conservative party have come out and supported the idea that we have a right to our own views and a right to reach a conclusion. There must be some significance in the fact that all these various men chosen as leaders by the people of their political philosophies from across Canada, have taken this position in recent years and are abolitionists. Surely their judgment, which was considered as the basis for giving them the leadership of their parties, is the same kind of judgment which has led them to be abolitionists.

Some hon. Members: Hear, hear!

Mr. Fleming: In conclusion, I simply want to state that my position on this matter has been established since long before I became a member of parliament. I am answerable to my constituents. It will be no easier this time to vote for abolition of capital punishment than it was in the past to fight for it. But I do have a responsibility to carry out a trust and not to echo a mood or entrench a misunderstanding. I do gain some strength from the fact that many other people of greater experience, wisdom and respect, share my view. However, I support this legislation as it is before parliament on this occasion particularly because I truly believe it will be more effective in providing the Canadian public with safety and security.

Some hon. Members: Hear, hear!

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, this bill, C-84, proposes to abolish capital punishment. I shall vote against the bill, and by so doing of course I shall vote to retain the death penalty for those who commit premeditated, first-degree, cold-blooded or capital murder, call it what you will.

I say to you and to my fellow members of this House, Mr. Speaker, that no single issue, certainly since my first election over three and a half years ago, has caused me more personal concern and torment, and I do not think that is too strong an expression, than the issue of capital punishment.

There have been more complex issues during this period. I have only to think of our efforts to deal with the economy and inflation. There have been more frustrating issues, and I think of unemployment insurance and the energy crisis. There have been more heated issues, and we only have to go back as far as the recent so-called judges' affair.

However, in over-all terms the death penalty or its abolition is such a tremendous mixture of values and considerations that it defies, at least for me, a logical or rational approach to the problem and, frankly in my judgment, is incapable of a solution that will continue to be acceptable to all segments of our Canadian society and to all regions of our country.

Likely most of us have by now, and maybe have had for some time, a definite opinion on this issue, but the considerations that prompted us to formulate this opinion are not nearly so definite. A great deal of opinion has been based on religious considerations, and I think quite validly so. Much of my mail and personal representations that I have received have this basis. What is difficult for me, and I am sure some of my colleagues share this difficulty, is that we find different church groups taking diametrically opposite views on the retention or abolition of the death penalty.

Similarly, I have many constituents, and I am sure I am not unique, who are members of a certain church who will disagree firmly and openly with the official view that the church has taken. I suppose, therefore, I should not be too confused or even too surprised when I see two individuals in support of completely opposite positions quoting me the same holy scripture. That is the nature of capital punishment.

Another consideration involves the general concern regarding law and order, and in many cases it goes certainly far beyond concern. I detect a very real fear. Are our Canadian cities destined inevitably to become the Detroits of tomorrow? People see an increase of some 25 per cent in the number of murders committed in roughly a five-year period, and they want a solution. Generally people who are in fear look for a quick, simplistic, and understandable solution.

The abolitionist, on the other hand, will say with some justification that we should not have an emotional reaction to the problem but that we should work to create a society where law enforcement agencies, penal institutions, and rehabilitation officers work to eliminate the necessity of execution.

There are, of course, other considerations and there are other arguments, including the element of deterrent, the motive of revenge, the protection of society and on and on.

In the last three and a half years I would estimate I have received over 200 pounds of printed material on this subject in letters, telegrams, pamphlets, even books and petitions. I have received representations from thousands of my constituents. I have listened to or read every word of the 1973 House of Commons debates on the extention of the five-year trial period with respect to the murder of police officers and prison guards, and I have participated, as I am sure most of my colleagues have, in countless panels, talk shows, radio hotlines, etc.

From all of this I have concluded only one thing which is fundamental to the issue, and that is that there is no one right or wrong solution. There is no one argument that is so persuasive as to overrule all others. There is no one principle or consideration whose value is so important that one can disregard all other principles and all other considerations.

I have to ask myself where this leaves me as a federal representative. As I see it, and I hope I do not over-simplify, I have only two alternate courses of action. I can vote to retain or abolish death by hanging according only to the dictates of my own conscience, or I can vote in a way that will reflect the consensus of those I represent. Indeed there are some of us in respect of which the two coincide, where one's own conscience and the consensus of his riding are identical on this issue.

At this point, if you will permit me, I want to digress for a moment to comment very briefly on the so-called trial period of the past eight or nine years wherein only those persons convicted of murdering police officers or prison guards have been subject to a sentence of capital punishment. I reject this trial period outright as having any meaning in its resolution and its results, and really I suggest it was without acceptable principle in its original formulation. I say this for two reasons.

First, the application of the death penalty, depending on the victim's occupation, leads to some rather ridiculous situations. For example, the hired assassin who attempts to assassinate the Prime Minister for example, if his aim were accurate and he succeeded would not be subject to the death penalty because his victim, our Prime Minister, is not a law enforcement officer. On the other hand if his aim were not so accurate and he happened to kill the RCMP constable who normally is at the Prime Minister's side, then he would be subject to capital punishment.

The same situation would apply if a bank robber went in and deliberately killed a bank teller. He would not be subject to the death penalty. However, if in trying to escape he were to fire at random into the street and kill a police officer, then he would be subject to the death penalty.

I am the last to deny law enforcement officers the protection they need and deserve. I agree that the murder of such an officer must be deemed a capital murder. However, I point out that there are other murders which should fall into the same category and should be subject to the same sanctions.

[Mr. Jarvis.]

My second reason for rejecting this trial period as meaningless is the simple fact that since the trial period commenced there have been 36 police officers and prison guards murdered. In the cases where convictions were secured every murderer has either had his death sentence commuted by the cabinet or is in the process of making an appeal for commutation, or is simply awaiting the results of this debate.

The royal prerogative of mercy has been established for centuries in our common law, and I support it wholeheartedly and, furthermore, agree that it is the cabinet which should continue to exercise this prerogative. However, to say we have had a test period of capital punishment for murderers of police officers and prison guards is, in my judgment, ludicrous when every such convicted murderer has had his sentence commuted, virtually automatically, by the cabinet.

The Solicitor General (Mr. Allmand) may take exception, which is his perfect right, to my allegation of automatic commutation of death sentences. I do not withdraw it. In his March, 1975, statement entitled "The Prevention and Control of Violent Crime in Canada", the Solicitor General said:

I must make it clear, however, that the decision to commute in a specific instance does not establish a precedent in any way whatsoever.

I do not accept this statement as accurate, much as I regret saying so. Even if I did, I would have to ask the Solicitor General, who says he will resign if the death penalty is reinstated, what other conclusion or what other perception can Canadians have, except that no matter what the circumstances of the murder, the death sentence will be commuted automatically by the cabinet?

Let me quote very briefly from a recent article by Charles Lynch who says:

Politics, as now being practised blatantly by a government that has shown itself utterly unwilling to sanction the use of the death penalty, is trying to strike a bargain that will abolish the hypocrisy of pretending that the noose is still there, when it isn't.

● (2030)

I return to what I feel is the basic decision of a member of parliament: should he or she vote according to his or her own conscience, or according to the wishes of his or her constituents? First, I wish to emphasize, and I wish to make it abundantly clear, that I respect the right of any member of parliament to choose either course of action. Both alternatives are not only justifiable but indeed honourable.

It would never occur to me to be critical of some of my colleagues because they choose to vote according to their own personal feelings, any more than I would challenge the right of others to attempt to reflect the wishes of the majority in their constituencies. What is more important is that you, Mr. Speaker, my colleagues, and most importantly my constituents, have the right to know what course of action I propose to take, how I will vote, and why. I choose to reflect what I believe to be the feeling of an overwhelming majority of my constituents, and I will vote to retain the death penalty for those convicted of premeditated murder.

Let me acknowledge that my decision has been made a little easier because my own personal views have become

more compatible with those of my riding in the last three and one-half years. Upon my first election I had just completed a legal career that included a limited amount of criminal defence work, including the defence of a capital murder charge. I confess readily that this case caused me, as a lawyer, a great deal of anguish, to such a degree that as I said during the 1973 capital punishment debate I could not possibly be objective about this issue and, therefore, I felt it improper to vote according to my own conscience. I suggest to you today that, next to accused murderers themselves, among the least logical and least objective persons, with regard to this issue, are lawyers who have practised criminal law.

Since 1973 I have had an opportunity to study parts of some reports, particularly those dealing with penitentiary riots and, much as I regret saying it, in some cases we are dealing with those who can only be described as "mad dog" killers and, an equally contemptible group, paid assassins. As a result of this exposure I do not find myself so disturbed about voting for capital punishment as I did in 1973.

The second point I wish to make is that to vote according to the views of one's constituents, a member of parliament must have an overwhelming or convincing consensus in his riding. My last questionnaire—and I doubt it was any different to that of many of my colleagues—showed 89 per cent in favour of the death penalty for cold-blooded murder. The questions in that survey were extremely carefully and fairly worded, the answers were tabulated by computer, and the results were well publicized in my riding. I am convinced of the accuracy of the results, and I am equally convinced that those replying were a representative cross-section of my riding.

My third reason for voting against this bill is that I reject unequivocally the accusation that a member of parliament who votes according to the wishes of his or her constituents, on the capital punishment issue, does so for his own political gain at the next election. I reject that outright. In 1973, during a shaky minority government, we had a capital punishment vote and shortly thereafter a general election. Just as many of those who voted for retention were defeated as those who voted for abolition and, similarly, just as many on both sides of the issue were re-elected. I know what it is to lose votes on election issues. Many members of our party were defeated during the last election for whatever reason—and I do not pretend to know—but capital punishment is not one of the issues which elects or defeats a member of parliament at a forthcoming election.

Fourth, I reject the accusation that one who votes according to the wishes of those he or she represents is abrogating his or her responsibilities. In the House of Commons, and in the various standing committees of which I have been a member, I have voted over the past few years on 300, 400 or 500 occasions, or maybe more. I have voted along party lines; I have voted according to my own conscience; I have voted to defeat the government, and I have voted to support the government. On only one occasion did I vote to reflect directly the views of my constituents, and that was the capital punishment vote of 1973.

Certainly there were numerous times when my vote did coincide with what I presumed to be the feelings of my riding. Generally the value of my questionnaire results has been to assist me in making my point in caucus or committee meetings. You know, Mr. Speaker, and I know, that I cannot consult with my constituents on every issue. Sometimes there is not enough time. Usually I should have studied and been better informed than my constituents on most issues before parliament. The upcoming vote on capital punishment will be only the second occasion that I have voted to reflect directly what the majority of my riding wish. For that I do not feel compelled to make any apologies.

Much was said during the 1973 debate on capital punishment about members who proposed to vote according to the wishes of their constituents. Almost invariably those who were critical of members who voted in this way quoted Edmund Burke or John Stuart Mill. It is implied that a member who votes according to the wishes of his or her constituents is nothing more than a computer, a head counter, or a reflector of public opinion. If any of my colleagues in the House wish to attach these or other labels to me, they are of course free to do so. I submit that this is utter nonsense. When I—and others—on only two occasions in over three years, out of hundreds and hundreds of votes, choose to reflect an overwhelming consensus of the people we represent, I do not feel that, all of a sudden, I have rejected a prevailing political philosophy that I should, generally speaking, base my decisions on my own best judgment.

On many occasions during my relatively short tenure of office I have voted against what I believed were the wishes of my constituents. On many occasions I had no time to consult with my constituents on specific issues; on other occasions there was no question in my mind that, because of research and other facilities available to me, I was in a better position to make a judgment than most of my constituents on a particular issue of the day. However, Mr. Speaker, I am one who firmly believes in the widest possible consultation with those who selected me to represent them. I have found this communication helpful and, in many cases, enlightening.

I believe it is part of my responsibility to consult with my constituents, and I believe further that their opinions should be of substantial significance as one element, among others, that assist me in making a particular judgment. Frankly I do not think that this makes me merely a computer to reflect public opinion. To the contrary, I believe this consultation makes me a better decision-maker and, of equal importance, permits my constituents to be part of, and closer to, their government.

Fifth, I have a certain difficulty in convincing myself that, in issues such as capital punishment, my conscience is superior to the collective conscience of those I represent. I suppose one might defend such a position by saying that because members of parliament have received such a tremendous volume of research and other material on capital punishment they are better informed than most; however, as I have pointed out, so much of the material is contradictory and confusing that I cannot adopt this position. Furthermore, it seems to me to be more than just presumptuous to say that my moral character or integrity or ethics are superior to 89 per cent of my constituents. Is there some miraculous moral transformation that takes place in

an individual who has been fortunate enough to secure more votes on election day than his two or three opponents? All of a sudden does he become better fitted to determine moral issues?

● (2040)

I repeat, Mr. Speaker, I understand that on many issues I should be better equipped intellectually than many of my constituents because it is my job to be better informed, to have studied more, and to be better equipped. However, I find it difficult, indeed impossible, to extend that position by saying my moral conscience is better than the conscience of those I represent.

Finally, let us look directly at the issue. I have attempted to avoid the use of statistics because all too often they are misleading or, at the best, not very helpful. However, it is important to put into perspective the numbers of convicted murderers with whom we may be dealing. Prior to 1968, when a person could be executed for capital murder, statistics show that in the previous five years, during which there were 200 to 300 murders a year, the following numbers were sentenced to death, although most had their death sentences commuted, and indeed there have been no executions since 1962. In 1963 there were 12 such sentences; in 1964, 5; in 1965, 17; in 1966, 11; and in 1967, 10. Therefore we are talking about less than 10 per cent of all convicted murderers who could be executed. Of that 10 per cent none would be executed if the jury recommended mercy because commutation has been virtually automatic in all such cases.

I have no statistics for the last nine years because during this period capital murder cases involved only the murder of a police officer or prison guard, but I expect the proportion of premeditated or cold blooded murder remains about the same as the pre-1968 figures.

In his March 1975 statement that I referred to earlier, the Solicitor General said:

> Given the sudden, unplanned nature of most homicide, it appears unlikely that most individuals who commit murder take into account the existence or non-existence of capital punishment before carrying out the act.

What kind of red herring is this, Mr. Speaker? We are not debating capital punishment for murder resulting from domestic quarrels or other hot-blooded or impulsive murder. The Solicitor General does no service to himself or his government with such foolish statements. Of course the death penalty does not deter such killers. The killers the Solicitor General should be concerned about are the cold-blooded assassins—the inmates who choose to execute prison guards—hardened criminals who are ready, at the drop of a hat, to use a firearm in the commission of a robbery or similar offence.

I am the first to admit that the return of capital punishment in itself will not solve the problem of law and order in Canada. It is only but one small part of a very complex and urgent problem. On the other hand, I cannot reject the death penalty as a useless element in law enforcement.

I wish to make one other point regarding the government's conduct in bringing in this legislation. This bill has been highly touted as providing for a minimum 25 years prison term in place of execution. The Solicitor General has said this 25 year provision is harsh, that it may be counterproductive with respect to rehabilitation, that it may increase the problems in our prisons and for our prison guards. He does not know whether the 25 year rule in capital murder cases will act as a deterrent.

In view of all this I, and others, must ask why the 25 year minimum rule? And the only answer that I can find is that the government, by instituting the 25 year sentence provision, may garner enough votes in this House to abolish capital punishment. It is the price it will pay to eliminate the death penalty which is unacceptable to it.

What happens then if this bill is passed? There are two classes of murder. A person convicted of either class may receive a sentence of life imprisonment. In spite of the sentence is the murderer eligible for parole? Sure, in the case of first degree murder, the minimum 25 year rule applies. Does this mean that a murderer convicted of a cold blooded murder has to wait 25 years to become eligible for parole? No, that is not what the bill says. It says that after 15 years a convicted first degree murderer may have his case reviewed. What does all this mean? It means that life imprisonment is not life imprisonment, but 25 years. And it means that 25 years is not really 25 years, it is 15 years. And the government wonders why the Canadian public is confused and angry.

Some hon. Members: Oh, oh!

Mr. Jarvis: I hear shouts of "no" to my left. I defy hon. members to convince me—and I have a great deal of respect for their judgment—that 25 years is 25 years, because it is simply not the case even in the event of conviction for capital murder.

May I conclude on a more temperate note, Mr. Speaker. The important thing for all of us to understand today is that neither Canadians nor their MPs are unanimous in their views on the death penalty. People feel equally strongly and equally emotionally on opposite sides of this issue.

To those of my colleagues who oppose the death penalty, may I say that I freely and readily acknowledge the validity of the principles that they have adopted in forming their opinion.

Therefore, while I cannot and will not ask them to agree with my position. I do ask, and I do hope, that they will respect the principles that I have adopted in reaching my decision to vote for the retention of capital punishment.

Mr. John Gilbert (Broadview): Mr. Speaker, this is the fourth time that I have participated in the debate on capital punishment. You will recall that it was Mr. Larry Pennell who introduced the legislation in 1967 which set in motion the abolition of capital punishment, and at that time there were certain restrictions. Because of my participation in the other debates I will impose upon myself a limitation of time.

Some hon. Members: Hear, hear!

Mr. Gilbert: I am rather proud of the debate thus far because there has not been the acrimony and the emotionalism which could easily creep into this type of debate. I have not heard the abolitionists say that capital punishment is sadistic, barbaric or savage, and I have not heard

retentionists say that abolitionists are misguided do-gooders. I am sure all of us appreciate the approach hon. members are taking during the debate and the respect that we have for each other's views.

I am opposed to capital punishment for five specific reasons. First, capital punishment is incompatible with my moral and spiritual concepts of reverence for life. Second, capital punishment is not a deterrent. Third, capital punishment presents the awful possibility of putting an innocent man to death. Fourth, capital punishment eliminates the purpose of punishment which is for the person to make amends, reform and rehabilitate. Fifth, capital punishment would be a backward step in the development of our system of justice.

I have said that capital punishment is incompatible with my moral and spiritual concepts of reverence for life. We have developed a system of values regarding human life, human dignity, and human worth, from religious considerations, experiences of others, and our own. The Bible contains five key words: vengeance, justice, mercy, love and forgiveness. In Genesis the Lord said "vengeance is mine", but man said "no", and imposed death for the taking of another life, for adultery, and for the blaspheming of God. Then we find Amos, seeing the poor being ground into poverty, shouting from the hilltops, "Let justice roll down like a mighty river and righteousness like an everlasting stream". We also find Hosea who saw his wife committing adultery and spoke of showing mercy toward others. Finally we find Jesus who thought and demonstrated redemptive love and forgiveness, even in death.

We are in the process of developing a heightened and enlightened awareness of human life, human worth and human dignity, and we must not allow ourselves to return to the dark ages of revenge and retribution. That is why I am proud of the Canadian Council of Churches, which represents many religious persuasions, for giving their leadership and their convictions, and for setting the moral tone in teaching this important subject.

● (2050)

I was rather proud yesterday to hear the hon. member for Egmont (Mr. MacDonald), a former United Church minister, set a very high tone in this debate and give his reasons which were mighty persuasive.

Sir Edmund Burke has been quoted many times and I think he has the core of the thinking of most of us—that we have a responsibility to our constituents to study the matter of capital punishment, and other social and economic issues, and to exercise our good judgment and our conscience. I am sure most of us are attempting to do so.

The second reason why I am opposed to capital punishment is that it is not a deterrent. If it were a supreme deterrent, murder would have stopped in Biblical times. Surely it would have stopped in the eighteenth century in England where they had 350 capital offences which called for a sentence of hanging. But I am persuaded by the statement of Britain's Royal Commission on Crime in 1952 which stated:

> ... the general conclusion we have reached is that there is no clear evidence in any of the figures we have examined that the abolition of capital punishment has led to an increase in the homicide rate or that its introduction has led to a fall in homicide rates.

This conclusion has been confirmed by the studies of Professor Sellin, and studies in the United Nations. I think they have reached the simple conclusion that the evidence with regard to capital punishment as a deterrent is not clear either way.

I was rather impressed with the opening argument of the hon. member for the Yukon (Mr. Nielsen), leading spokesman in the debate for the Conservative party. He said the reason that most of us do not commit murder is fear of death. If that were so there would not be any murders today. I think the reason that you and I do not commit murder is because of our moral values, because of our spiritual values, because of our social values, because of our fiscal and physical well-being, and because of the exercise of our self-control and self-discipline. These are the main reasons why you and I are deterred from committing murder, Mr. Speaker.

It seems to me that we should be looking at the causes and cures of crime rather than at the penalties. I was very impressed with the evidence given by Professor Cyril Greenland of McMaster University who has studied in depth the problem of violence in our society today, and who made a particular study of criminal violence. After studying approximately 400 persons who had been involved in crimes of violence he came to four conclusions why we have violence today—first, a severe deprivation in social and economic well-being; second, poor housing and unemployment; third, alcohol and drug problems; and fourth, no attention paid when help was sought.

It seems to me that we have to direct our attention and our resources to solving these problems of violence by creating a society where we do not have wide gaps in economic and social well-being but where we have a decent housing scheme, full employment, some control with regard to alcohol and drugs, and where, when attention to a problem is sought, it is given.

The third reason why I am opposed to capital punishment is that it permits the awful possibility of putting an innocent man to death. May I say, once he has been put to death it is irreversible. In fairness, there has been no conclusive evidence in Canada that an innocent person has been put to death. We have had shadows cast in at least three cases I know of, however. One was the Wilbert Coffin case in the Gaspé in 1956, when he was charged with the murder of three American hunters. Before he was put to death he was subjected to six reprieves. There was the Steven Truscott case, with a dissenting judgment by Mr. Justice Emmett Hall of the Supreme Court of Canada who expressed serious doubts with regard to the guilt of Steven Truscott. Now there is the Raymond Cook case in Alberta.

In the United States between 1893 and 1971 there were eight definite cases where innocent persons were put to death. In Great Britain between 1945 and 1968 there were at least three cases. The most dramatic of these was the case of John Christie, who was hanged for the murder of his wife and child on the evidence of his neighbour, Evans, who later admitted to the crime. The bodies were found in Evans' home along with the bodies of five or six other women. That case brought to stark reality the possibility of putting an innocent person to death.

The fourth reason why I am opposed to capital punishment is that it eliminates the purpose of punishment, which is the reform and rehabilitation of the individual, and not vengeance and retribution. It may be said that the advocates of retribution are sometimes the families or close friends of the murdered victim because at times they feel vengeance as a sign of their hurt and helplessness. What they need in those times is friendship and solace, and the healing power of time.

May I repeat for hon. members the case that happened in the riding adjacent to mine in Toronto, the riding of Greenwood. A police officer was killed, and René Vaillaincourt has been convicted of the murder and is awaiting a decision on this bill. The wife of the murdered officer, Mrs. Maitland, wrote to the hon. member for Greenwood saying that both she and her late husband were opposed to capital punishment and that she was prepared to forgive and extend mercy to this person.

If punishment is to be reformative and rehabilitative, an opportunity must be given to re-educate the offender. To achieve this goal some control of his time is necessary. That is why we must have a sentence which involves the educational opportunity as this is more likely to promote the well-being of society.

I am sure hon. members will recall the famous Leopold and Loeb case in the United States when Clarence Darrow came to the fore. These two young men had committed murder, but he argued that rather than suffer capital punishment they should receive life imprisonment. In those days it was very difficult to persuade the judge and jury, but he succeeded. Both were sons of very rich men. Loeb was later killed by a fellow prisoner, but Leopold spent many years in prison. He was paroled to work in a laboratory in a mission hospital in Puerto Rico, and spent ten years there as an X-ray technican. At the age of 55 he returned to school and obtained a master's degree in social work. He then became a consulting psychologist and a research associate for a medical school where he made a study of leprosy in Puerto Rico. His service to many suffering people was a credit to himself and to the advocates of the abolition of capital punishment. That does not mean that all persons who have committed crimes and are sentenced to life imprisonment are going to reform and be rehabilitated and make amends the way Leopold did, but I think his story is worthy of consideration.

Western civilization would have missed a great deal in its culture and moral development if Moses had been deprived of his life for killing an Egyptian, if David had been killed for conspiring to murder Uriah, and Paul for co-operating in the death of Stephen, and for voting death to the early Christians.

● (2100)

My fifth reason for opposing capital punishment is that reimposing capital punishment now would be a step backward in our system of justice. I remind the House that in Great Britain, in the 18th Century, there were 350 capital offences. In 1957 the death penalty was limited to a few offences only. In 1965 it was suspended, and in 1969 abolished. Events of recent years have tested the British stand on capital punishment. Terrorist activity in Northern Ireland prompted the introduction of motions in the British house in 1974 urging the return of the death penalty for terrorist activities. On both occasions the vote went against bringing back the death penalty.

I recall my 17-year-old son coming home after having toured England and Scotland. I said to him, "Son, what do you think of England?" He said, "Dad, I can sum it up in one word." I said "What word is it?" He said, "Civilized." It seems to me that the British people are civilized in the sense that they respect human life, human worth, and human dignity.

In Canada we have modified our treatment of murderers. I give full credit to the right hon. member for Prince Albert (Mr. Diefenbaker) and Davie Fulton for bringing forward legislation in 1958 which limited capital punishment to certain kinds of murder. There has been a further development. Since 1962 no one in this country has been hanged. In 1967 Larry Pennell, now Mr. Justice Pennell—and Mr. Speaker must know him well—was instrumental in bringing forward law which limited hanging only to convicted murderers of policemen and prison guards. The United States Supreme Court found capital punishment to be a violation of the eighth amendment of the U.S. Constitution in that it constitutes cruel and unjust punishment. Forty-four member countries of the United Nations have abolished capital punishment.

Abolitionists, besides favouring the abolition of capital punishment, are under the duty of supporting measures which will protect society from the increasing incidence of crimes of violence. By bringing forward Bill C-83 the government took the right step. The bill deals effectively with the question of guns, parole, and dangerous offenders. But it must not stop there. We talk about reforming and rehabilitating criminals; therefore we are under the duty of bringing forward programs which will do this, which will allow prisoners to develop as human beings and take their rightful place in society.

In addition we must separate the various categories of criminals; that is why classification is important in any penal program. We must build smaller prisons and replace older, larger prisons with more modern ones. We must protect the police and prison guards, and we are under the duty of making sure they are adequately trained to protect themselves and society. I hope the recently passed law for tightening bail regulations will be effective.

A report on young offenders has been brought forward, but legislation so far has not been based on it. We considered a young offenders' bill in 1970. Fortunately that bill died on the order paper. The bill was based on the adversary system concept. That concept has no place in criminal justice. I think we should abandon the adversary system in criminal justice and adopt a system which will enable us first to look at the offence, then at programs which will either cure, rehabilitate or reform the offender.

The challenge to build a better society is ours. It is up to us to uphold the sanctity, worth, and dignity of human life. The challenge is ours. May we have the courage and determination to accept it.

Mr. Robert Daudlin (Kent-Essex): Mr. Speaker, I welcome this opportunity to speak today on what is, without doubt, one of the most difficult questions facing this parliament. As a newly elected member this is my first oppor-

tunity to deal, on the floor of this Chamber, with the issue of capital punishment. I would begin my comments, Mr. Speaker, by commending both the Solicitor General (Mr. Allmand) and the hon. member for Greenwood (Mr. Brewin) for their eloquent and impassioned articulation of the issue.

My objection to the death penalty is based upon the conviction that it is both futile and immoral, and that the interests of society would be best served by its abolition. As I have listened to and read the opinions of those who would have us retain the death penalty, I am struck with three basic arguments. The first argument in the case for capital punishment was outlined by the hon. member for Yukon (Mr. Nielsen). He argues that the death penalty is a much greater deterrent than any other form of punishment, so that its abolition would result in an increase in the incidence of murder. The second argument, presented so often by the many form letters which have landed on my desk, has been that public opinion, which seems to demand its continuance, cannot be ignored. The third argument is perhaps the easiest to dismiss; it states that with crime as it is, now is not the time for abolition. It is my intention, Mr. Speaker, to deal with all of these arguments, demonstrate their falseness and, in so doing, challenge those who would claim otherwise.

The hon. member for the Yukon, opening the debate for his party, was led to the conclusion, which he admits as being oversimplistic, that death must be a deterrent. I can agree with the hon. member only insofar as he admits his reasoning to be oversimplistic. As the great Tory Senator, Grattan O'Leary, said in the last debate:

> I do not think any civilized mind, any educated mind, with all the evidence we have had before us during the last half century, can stand in this Chamber and say he still believes in capital punishment ... There is nothing on earth, no evidence anywhere by anyone, to show that capital punishment does deter the further commission of such crimes.

Let us deal for a moment with the question of the deterrent effect of capital punishment. A great deal of investigation and years of research by some of the ablest minds of the world have been done on the value of capital punishment as a deterrent. Those who have spoken before me have pointed to the findings of many of these studies. I wish to add to their argument by citing the work done by the Norwegian criminologist Johannes Andenaes, who, after years of research, concludes:

> But with regard to the very specific deterrent of capital punishment we have learned one thing: all the studies ever made, all the statistics ever compiled, all the data ever processed have failed to produce one shred of evidence that capital punishment has ever been a deterrent to murder.

This confirms the opinion of the British Royal Commission of 1949-1953 on the subject of the death penalty. It determined:

> That there is no clear evidence in any of the figures we have examined that the abolition of capital punishment had led to an increase in the homicide rate or that its re-introduction had led to a fall.

Indeed, a comparative study of homicide rates between abolitionist and retentionist jurisdictions in the United States has indicated that the average homicide rates are greater in the retentionist states. A similar comparison of European jurisdictions based on Interpol data would indicate that "For the most part, states which have abolished capital punishment have lower rates of murders and attempted murder". In Mexico, a UN study also noted no relationship between the presence or absence of the death penalty and homicide rates in different states.

I am not suggesting that abolition will lead to a lower homicide rate. However, for those who have stood in this Chamber and claimed that death was, must be, was bound to be, could not help being a greater deterrent than any other form of punishment, I can only point to the overwhelming evidence which would indicate that the murder rate varies independent of the death penalty. Indeed in 1868 public executions were abolished in Britain, largely because of evidence before the Royal Commission of 1866 that of 167 persons who had been under sentence of death in one town during a number of years, 164 had themselves witnessed a public execution, in consequence of which the commission concluded that those who argued that public executions had great deterrent effect were wrong.

I would argue, Mr. Speaker, as did Sir Samuel Romelly, leader of the movement to abolish capital punishment in the last century, specifically that:

● (2110)

> 1. The chief deterrent to crime is not barbarity of punishment but certainty of conviction. The former only results in decreasing the latter and is therefore futile.
>
> 2. Brutal punishments accustom the people to brutality and themselves tend to increase crimes of violence. Basically put, Mr. Speaker, violence breeds violence.

As Archbishop Temple, who has written much on the subject of the death penalty, stated:

> With regard to the chief quality of effectiveness in deterrent punishment, it is not the severity of the penalty inflicted, but the certainty both of detection and of the exaction of the penalty required by law.

In this regard, for the period 1961 to 1974 only 14 per cent of adult suspects charged with murder were convicted of the original charge of murder, and 46.4 per cent were convicted of a lesser offence than murder. A study in Britain indicates that the conviction rate for murder rose dramatically after the death penalty was abolished. Such data would indicate that jurors are, as the Solicitor General indicated on May 3, 1976, loath to convict for capital murder, but are quite prepared to convict for a lesser offence where life is not at stake.

A great deal has been said in this debate and in previous debates which has sought emotional and religious justification of the death penalty. The law of capital punishment, while it pretends to support a reverence for life and justice, does in fact destroy it. I say with all the conviction that I can muster that I am persuaded that the message to be gleaned from the teachings of Christ written in the New Testament is one of love and charity.

The story is told of a sailor who was shipwrecked on an unknown shore and feared for his life. Scrambling up a cliff, he suddenly caught sight of a gallows and exclaimed, "God be praised! I must be in a Christian country". I reject the arguments of those cynics who would exchange the true Christian principles of reverence for life, compassion, and atonement, for revenge, callousness and punitive justice. Execution cheapens life which we must cherish and nurture.

We must also concern ourselves with the irreversibility of the death penalty. While I share with all members a high regard for our judicial system, the possibility of error is always present. Professor Charles Black of the Yale Law School, in his book "Capital Punishment: The Inevitability of Caprice and Mistake" concludes that capital punishment should never be inflicted, not only because it is wrong on moral grounds and ineffective as a deterrent, but because the vulnerability of the criminal justice system to caprice and mistake cannot be improved or eliminated. Certainly the Christie case in England raises some very serious questions about the imperfection of the judicial system and the absoluteness of capital punishment. Such an eventuality is a situation which we cannot ignore nor accept.

Many people believe that it would be unsafe to let murderers live, with the chance that they might gain remission of their sentence and return to the streets and kill again. Unfortunately the popular mood is formed on the most exceptional and unfortunate cases.

Uniform Parole Reports data consistently report that homicide, and indeed violent offences in general, are the crimes associated with the lowest recidivism rates.

I would but bring before the House the case of Jim Casey and Thomas Shand. Jim Casey, convicted in 1956 in Vancouver of killing a policeman, had his sentence commuted and was paroled in 1968. Casey's former prison classification officer has said of him:

> I firmly believe that Jim Casey is the finest example alive for the cause of abolishing capital punishment. He epitomizes what can be done with time, patience and insight.

The Mayor of Saint John, New Brunswick, where Casey now lives, added his praise:

> He's an extra special type of man and a tremendous influence for good in our city—especially with young people.

It is my hope that the peace and security package might further this kind of rehabilitation. I would also like to mention the case of convicted murdered Thomas Shand of Winnipeg. In a very moving letter to the pastor of a church which had befriended Shand after his conviction, he wrote:

> For a year and a half now, I've been preparing for death and in a sense, even welcoming it, just for the peace of mind I would get, knowing that I would never again harm a human being, or they me. Now I must find reasons to go on living, with the hope that some day I will be released from prison to make a contribution to society to amend the wrongs I cast on so many. I know that a debt of this nature can never be fully repaid, but I shall strive . . . to right the wrongs, so that one day my family and friends may walk without shame, and that the family of Ronald Houston may be compensated for their grief.
>
> Up until about six months ago, I was a firm believer in capital punishment, thinking that death was the only solution. I, like so many others, read or heard somewhere the eye for eye and tooth for tooth was the only answer, not even knowing who said it, or for that matter, in which part of the Bible it could be found. All we knew for sure was that it said so in the Bible, so therefore, it must be the right way to do things. We never stopped to take into consideration the time, place, people, or the environment in which they lived. I'm not saying that today the situation is any less violent, but I can say that the majority of people are more civilized and educated, and are interested in finding out why some of us do what we do and, if possible, correcting these malfunctions before they do irreparable damage to ourselves, or those with whom we come into contact. Unfortunately, there are still many of us who do not believe in the "seek and cure system." We would like to get the problem over with as soon as possible, by meting out confinement or, in some cases, execution. It wasn't too many years ago that as many as 200 crimes were punishable by death.
>
> Some of our reasons for urging these punishments were guilt and fear, knowing that perhaps we could have possibly prevented the crime if we had acted sooner, by giving a little of our time and understanding to some child who needed attention and genuine affection. Each and every child in this world has at one time or another called out to us, begging us to hear them, love them, and, yes even sometimes to discipline them. In many cases their pleas fall on deaf ears, because a lot of us are caught in our own selfish needs and just don't have the time or patience to hear that child's cries. There are two other main reasons why people believe in confinement and capital punishment which I'll name, but won't go into, because they are both self-explanatory. One is vengeance and retribution, and the other is that it will serve as a deterrent and warning to those who might have ideas about going astray, which in my opinion is pure fiction, and probably the greatest hoax of all times.

[Mr. Daudlin.]

The testimony of Thomas Shand, who as a child was brought up in a series of foster homes and who completed only the eighth grade in school, should humble us all.

Before I briefly mention the matter of public opinion, I would point out to hon. members an observation made by Albert Camus and in doing so encourage members to read his essay, "Reflections on the Guillotine". In his arguments, Camus relates the role of alcohol to crime and states that the proportion of alcohol's responsibility in crimes of murder is shooting. "The State that sows alcohol", says Camus, "cannot be surprised to reap crime".

In a letter from the United Church of Canada, Presbytery of Essex, it was pointed out to me that a study conducted in Philadelphia over a five-year period found that 60 per cent of killers and or killed were under the influence of alcohol. Recent disclosures at trials in Canada would indicate a similar situation. This is a cancerous problem to which the Solicitor General's office and the Department of Health must be prepared to pay greater heed. We must be ready to deal with this problem, and deal with it expeditiously.

I want now for a moment to deal with the extent to which we as members should have regard to public opinion. I am certain that it is important for governments and members to be sensitive toward, and to take account of, the opinions of the public before legislating on important issues. In deciding to what extent effect should be given to public opinion we must determine to what extent that public opinion is well informed and instructed.

● (2120)

In examining the work done by Dr. Fattah I am led to believe that the anxiety of the public is based on arguments which, earlier in my remarks, I rejected as being invalid. They are based, for the most part, on an emotional case for public execution. I need not remind hon. members, as has already been done, of the tradition of Edmund Burke, Sir Winston Churchill, and the right hon. member for Prince Albert (Mr. Diefenbaker), all of whom have pointed out that a member of parliament owes his constituents not his only his industry, but his judgment as well, and he betrays, instead of serving them, if he sacrifices it to their opinion.

I think it is unfortunate that several hon. members of this Chamber, long prior to any debate or discussion of the issue, have determined how they will vote on only the smallest of questionnaire responses. By refusing to examine the issue in a critical manner they have done, not a service, but disservice to their constituents.

In conclusion, the death penalty has no place in the compassionate, humane society we all seek to build. Hence I urge with all the conviction I can muster that this House do abolish the death penalty.

As long ago as 1930 the British select committee on capital punishment summed it all up, and I quote:

> . . . and as it is the more humane spirit in our people that makes a more humane penal code possible; so, on the other hand, in humanizing our punishments, we will yet further humanize our people. On the one side, and on the other, humanity will beget humanity, as nobleness enkindleth nobleness.

Mr. James A. McGrath (St. John's East): Mr. Speaker, this is the third debate on capital punishment in which I have participated. I have listened carefully to the speeches in the debates of the past parliaments. I have read everything available to me on this subject, and my conviction still remains. Notwithstanding the arguments of those who favour capital punishment, I cannot support that conviction. I hold these views, I hold them strongly, and I hold them fully in the knowledge that they may not necessarily coincide with the views of many in my constituency. Indeed they may not coincide with the views of the majority of my constituents. Just as I respect their views, I feel equally that they will respect mine.

The Police Brotherhood of the Newfoundland constabulary, together with their brothers all across the country, conducted a newspaper campaign in which they requested those people who support capital punishment to write in their names in support of a national plebiscite. In my city 106 responded. I make no comment on that except to say that I owe a responsibility to these people, and that is to put forward their views here tonight. That I am endeavouring to do.

I know that they feel just as strongly in favour of capital punishment as I feel against it. Notwithstanding the low response to the newspaper campaign, I know that there are many across the country who share their point of view, although it is interesting that the Canadian Association of Chiefs of Police through their spokesman, Chief Harold Adamson of Toronto, their national president, said this in a press quote of March 26:

> As an alternative to capital punishment, we're satisfied with the 25 years, so long as the man is not released before then.

I do not subscribe to the view that this matter should be the subject of a national plebiscite or referendum. I believe members of parliament were given a mandate by their consituents, by the people of Canada, to exercise their judgments in dealing with all matters relating to the national interest. The vote on the bill now before the House is a free vote. It is a vote in which each member votes according to the dictates of his own conscience, without regard to partisan considerations. That fact makes it incumbent upon all of us as members of this House to inform ourselves as much as possible, and to base our convictions upon the information available to us, and to vote according to those convictions.

I should like to put forward the views of the Canadian Council of Churches because they, very dramatically and very correctly, coincide with my own. I think it is only right that I should put them forward because the Canadian Council of Churches has the responsibility of moral leadership in this country, and the Canadian Council of Churches represents the eight major denominations in the country. I will quote very briefly from its submission:

> The taking of the life of the murderer by society does nothing to recompense the victim, his family, or society itself. Indeed, it involves often more suffering for innocent members of the murderer's family.
>
> Retention of capital punishment can be interpreted to mean that society is saying that human life is worthless when it crosses the boundary of our expectations. Thus it invites more violence by sanctioning the execution. The cure for violence is not more violence.

The council goes on to answer those who selectively quote from the Old Testament to support their position for the retention of capital punishment.

The council makes some recommendations in its brief, and I will put these recommendations forward because I support them, because they accurately reflect my own views, and I think they are worth placing on the record:

> (a) provide young people and adults with meaningful and satisfying employment and outlets in healthy recreation. We are informed that homicide tends to increase as unemployment grows.
>
> (b) develop the kind of penal institutions now being experimented with which will send persons back into society, not more skilled in crime, but better prepared to make a new start.
>
> (c) reduce the consumption of liquor and other drugs. The records will show a high proportion of violence being committed while under the influence.
>
> (d) improve our capacity to recognize and deal with mental illness. Many murderers are mentally ill and may need extensive treatment and restraint.
>
> (e) minimize the showing of violence on television and in moving picture theatres.

With respect to the last recommendation I was very encouraged by the speech of the Minister of Communications (Mrs. Sauvé) to the Canadian Association of Broadcasters. She showed an acute awareness of the gravity of the situation in North America with respect to its preponderance of violence as a means of providing entertainment, and I hope she will go on to translate that concern into regulations, either by way of a directive to the CRTC or by way of legislation in this House. The evidence is in. We have it on very good authority, not only in this country but also in the United States. For example, the Surgeon-General of the United States after a two year exhaustive study came to the conclusion that there was in fact a correlation and a casual relationship between crimes of violence and violence on television. He came to the conclusion that televised violence, with which the media on this continent are so preoccupied, increases aggressive behaviour in young people as well as in adults.

Perhaps more important, televised violence conditions people to accepting violence, and that probably is the greatest threat of all. It makes them passive to violence. I laud the minister for her speech, and I hope she will go on to translate her words into meaningful action.

● (2130)

I was touched by the speech of the Solicitor General (Mr. Allmand), who spoke from deep conviction. I was equally touched by the speech of the hon. member for Yukon (Mr. Nielsen); he too spoke with conviction. They put forward the arguments in a very clear, convincing and concise way. I, sir, hold the view—and I hold it very strongly—that until we attack the root cause of crime and violence in this country—and I have dealt with one aspect of it, violence on television—it matters very little whether or not we pass

this bill, because it has been established to my satisfaction, and to the satisfaction of the Solicitor General, that capital punishment is not a deterrent.

Until we make some positive progress toward eradicating poverty and the symptoms of poverty—the slums and ghettos—we will continue to have crime and violence. Until society and our national government, working with the provinces, provide funds to make available proper day care facilities, a healthy environment, and good sound education for the children of broken homes and of single parent families, I believe we will have young people growing up feeling socially disadvantaged, having no respect for authority or for the law.

I believe too that until we take positive and meaningful steps to teach our children the danger of alcohol and drug abuse, we will continue to be faced with major social problems in this country. We can make a start, Mr. Speaker. I laud the concern expressed by the Minister of National Health and Welfare (Mr. Lalonde) over the excesses of beer and alcohol advertising in this country, this tendency toward the peer group kind of advertising. Until we curb this sort of thing and recognize that we have a major social problem in Canada of teenage alcoholism, we will continue to have youngsters going astray.

Our jails and penitentiaries are populated by the young, the socially disadvantaged, and the poor. A few months ago I had a very moving experience, certainly one of the most traumatic experiences in my life, when I toured Dorchester penitentiary, an institution that really has no place in modern society and which should have been torn down years ago. What struck me about that institution, apart altogether from its medieval-like walls, cells, and solitary confinement areas, were the inmates. They were the poor, the disadvantaged, the socially short-changed, the young—the minority groups.

I believe that the words of the Solicitor General have great relevance here. If I may paraphrase him, he said that the application of capital punishment in the past has been unfair because it has been applied disproportionately to the poor, to the unrepresented, and to the minority groups. If hon. members want to see evidence of that, Mr. Speaker, they should visit the maximum security institutions of this country.

I am voting for this bill, Mr. Speaker. I will support it although I am not at all happy with some of its aspects. Nevertheless I support it because I am opposed to capital punishment. I support it not out of any sense of arrogance. I do so out of no sense of moral superiority or of superior judgment. I do so out of very sincere conviction, conviction that is very deeply held. I do so out of the conviction that it is morally wrong to take the life of another, be the executioner the state or an individual.

Mr. C. Douglas (Bruce-Grey): Mr. Speaker, for many of us in the back row on both sides of this honourable House the question now before us is before us for the first time in our capacity as legislators. I am sure that no matter what position we take, that of retention or that of abolition, there is not one new member who has not agonized over this most important of all questions for many weeks, yes many months. The decision that we make as to retention or abolition of capital punishment will have long lasting and far reaching effects on this great country of ours.

I do not have the background that many members of this House have in bringing forth their points of view and arguments either for retention or for abolition. I simply want to state my view, a view that I have spent many hours agonizing over and considering.

Without fear of contradiction, Mr. Speaker, I would class this deliberation which we are embarking on now as the most important one that we will make in our young careers as legislators, and for that matter the most important decision for this honourable body since January of 1973 when the five-year extension of abolition of capital punishment was passed. You know, Mr. Speaker, it is not too often that politicians get a second chance at legislation, a chance to reconsider their position, perhaps a chance to correct a mistake—if the extension that was agreed to in 1973 was a mistake. But we have it now, and I for one hope that we will take a very close look at the decision we are going to make within the next few weeks.

You may be aware, Mr. Speaker, that there is a current saying going the rounds among the public at the present time—one I am not altogether pleased with. It is "Try it, you'll like it". The people of Canada have been trying abolition of capital punishment to some extent or other for close to 10 years, and I think it is fair to say that society in general has found that it does not like it. Judging from all the reports I have heard, people have emphatically given the indication that they do not like what is happening in society and would like to see a return to capital punishment. They have let the members of this House know in every way they can that they wish the death penalty reinstated for premeditated murder, for premeditated murder not just of a police officer or a prison guard but for crimes of passion to a certain extent, as well as, for the hijacker, the terrorist, and those who commit murder through the perpetration of an offence such a bank robbery or armed holdup.

If there is one thing bothering the police officer and the prison guard in carrying out their duties, Mr. Speaker, it is being segregated from the rest of our population. Should we return to the death penalty I think this is one aspect we must take into consideration.

Take the case of police officer whose wife is a bank teller. If a holdup should take place in a bank and that police officer goes to investigate, perhaps the individual involved, the perpetrator of the crime, would fire two shots, both at the police officer, both missing, but one striking the police officer's wife who was still carrying out her duty as a bank teller. The person who fired those shots while committing the indictable offence of holding up the bank could not be sentenced to capital punishment if he hit the policeman's wife, yet both of them were taking the same chances in carrying out their occupations.

● (2140)

While I must express my concern and appreciation for the feelings expressed by various members of this House, particularly the Solicitor General (Mr. Allmand), who are all opposed to capital punishment, I certainly say I respect those feelings and the feelings of members who have given a similar indication tonight. However, I do not share them,

and it is without any twang of conscience that I intend to vote against this bill on second reading, at the report stage, and at third reading as well.

Abolition of the death penalty brings up the simple question, do we abolish the death penalty? Should members of this House in their wisdom decide to carry out that plan I believe it will mark a dark moment in Canadian legal history, and of which I want no part. What would we really accomplish by abolishing the death penalty from the Criminal Code? I submit to you, absolutely nothing, for in doing so will we have truly abolished capital punishment? I think not. We will simply have taken control of capital punishment out of the hands of the state and legal authorities, where it belongs, and put it into the hands of those who have no scruples or compunction as to how it should be used. It will then rest entirely at the discretion of the criminal and criminal element who will use it without fear, and certainly without compassion.

In the ten years since the abolition question has come up in this country we have seen an increase in crime and criminal tendencies unheard of before in the history of this country. Just quoting a few statistics, and I do not want to get into statistics because I truly believe they can be made to show whatever you want to show, in Quebec in 1955 there were 17 murders, and in 1965 there were 53. However, last year there were 217.

The Solicitor General has stated there has been no disproportionate increase in the number of violent crimes. It seems to me someone has some figures wrong some place. In 1966 the number of violent crimes committed totalled 69,656, and in 1973 that total climbed to 114,760. That is an increase some place along the line of 65 per cent in those seven years with crimes such as murder, manslaughter, rape, and wounding included in those totals. As recently as February 17 of this year it was reported for the first time in metropolitan Toronto that the number of murders committed during a period of just over one month, from January 1 to roughly February 15, 1976, exceeded the number of people killed in car accidents.

I certainly do not intend to get into a discussion of statistics with the minister or any member of this House because it is true, as I have said, that statistics can be made to do or show what is required of them. This question cannot be settled by the use of statistics. It can only be solved by each member of this House reaching a well thought out personal decision, a decision such as I have spent much time over the past year and a half trying to reach.

I would say there is no one in the House who would desire more than I to be able to say: yes, society in Canada and the people have reached a stage in our evolution where the death penalty is no longer needed, and we have reached a stage in this country where people have a respect for the law and a respect for each other's right to the extent that a deterrent such as the death penalty is no longer required.

Such is certainly not the case, and I am sure the minister and members will have to agree that there has been an increase in violent crime in this country, not just murders but acts of violence perpetrated as never before in our cities right across this land. I believe, fervently and with all sincerity, that the capital punishment section of the Criminal Code is a deterrent, and that is what we must base our final decision upon when deciding the eventual conclusion of this debate, that is, whether capital punishment will be retained or abolished.

There are many ways in which my opinions differ from those of the hon. member for Yukon (Mr. Nielsen). I have to agree wholeheartedly with him when he explained that his belief that the death penalty is a deterrent took root during his early experience in the armed forces, an experience shared by many members of this fine House. I hope not too many in this honourable House have come face to face with death as did that hon. member, whether during World War II or the Korean war. I would certainly hope our young men never have to face that proposition in the future, like many others, and like one or two in this House who have served in our police forces, who entered a building in the dead of night which had been broken into, and who have come face to face with an armed and determined assailant. If any of us had this experience or this confrontation I do not think he would be able to stand up and say that at no time is death a deterrent, or that death is not uppermost in the individual's mind at that time. In that event I do not think there would be many questions about which way we would vote.

Let me relate a couple of experiences I have been told about which took place in two separate border cities in Canada. These are not personal experiences, but they are experiences of others I know personally and with whom I have had contact. Both were police officers who came upon armed and determined criminals, not from this country, during the commission of an attempted robbery. In both these unrelated instances the two police officers confronted the criminals in question. Both officers were facing death as the criminals in question were determined, armed, and with an advantage over the police officers. They were determined not to be apprehended.

In both these cases the criminals asked the police officers point blank if the death penalty was still in effect in this country for the murder of a police officer. Both officers replied that it was in respect of the murder of a police officer in the performance of his duty. I am assured that in both instances the criminals at this point turned over their firearms to the officers and the arrests were completed.

Someone may be able to convince me that the death penalty is no deterrent, but he would certainly have a hard time, as would any member of the House, convincing either of those police officers. In those particular instances the death penalty was a deterrent, and one which in all likelihood saved their lives.

I would agree with the Solicitor General that the death penalty cannot be proved by statistics to have an effect on gangland killings and hired killers. However, I believe the death penalty must have a deterrent effect on those who would commit premeditated murder as a last resort, and those who pause for the shortest period of time to weigh and balance the consequences of their actions. This is just one more thought put in the person's mind at this most crucial moment.

Retention of the death penalty I feel may save one, two, three, four or five lives of Canadian citizens, whether they be police officers or otherwise, over the period of a year. If the retention of the death penalty in the Criminal Code

should save the life of one innocent Canadian this year or next year, then it is worth while retaining.

● (2150)

In 1973 my predecessor, Mr. Ross Whicher, summed it up when he said that when any country begins to think more of the criminal than it does of the victim, then that country is indeed in a horrible state of affairs. That statement is as true now as it was then. I believe capital punishment should be reinstated in Canada for the criminal who has committed first degree murder beyond a shadow of a doubt. I believe it will make Canada a safer and better place in which to live, and I shall vote to that effect in the forthcoming division.

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, as I look at the clock and see that it is five minutes to ten I wonder whether it would be in order to call it ten o'clock now.

Mr. Deputy Speaker: Actually the Chair has no objection to asking if hon. members agree. I should like to make sure, however, before doing so that the hon. members who are interested in the adjournment debate, the hon. member for the Northwest Territories (Mr. Firth) and the hon. member for Surrey-White Rock (Mr. Friesen), are here.

Is it agreed that we call it ten o'clock?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

NORTHERN AFFAIRS—ISSUANCE OF NEW PERMITS TO DRILL FOR OIL ON NATIVE LAND—GOVERNMENT POSITION

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I have received this time tonight to deal with a matter I first raised in the House on April 7, and again on April 8. I realize the House has before it a great number of pressing matters and therefore I appreciate the opportunity to return to this matter.

At this time I should like to correct a slight mistake which appeared in *Hansard* when my question was recorded on April 7. I was not asking about oil exploration permits, as *Hansard* would have us believe. I was speaking of the 68 exploration permits that were issued to several companies to look for uranium in the Keewatin and Baffin regions of the Northwest Territories. These permits were issued on March 29 of this year. Although they themselves are important I suppose what is really at issue here is the attitude of the government when it issued the permits.

Time and time again I and many others have watched this particular minister and top officials of his staff act with almost total insensitivity toward the native people, their goals and their feelings. This matter of the uranium permits is just the latest in a long string of insensitive acts. I feel it is important to use this as an example of how this department and this minister carry out their duties both in respect of Indian affairs and northern development.

The other person who publicly complained about this incident was James Arvaluk, president of the Inuit Tapirisat of Canada. I want to say for the benefit of the parliamentary secretary who is assigned to answer me that both I and Mr. Arvaluk are well aware of the process of receiving permits for exploration work in the North. We are both aware that at some point down the road short public hearings will be held on the application of these companies to receive land use permits. However, that is not at issue. What is at issue here is the government's discourtesy in not forewarning the ITC that these permits were coming forward, and the inexcusable action of the minister in not even being aware that they had been issued.

Also for the benefit of the parliamentary secretary I should like to give some background of this incident. It began several years ago when the department authorized a sum of money to be given to the Inuit Tapirisat of Canada for research into the land claims of the Inuit. After four years of work the ITC presented to cabinet its proposal for the settlement of Inuit land claims in the Northwest Territories. From the remarks made at that meeting on February 28 of this year I, and other observers, thought both sides were willing to co-operate with each other and that the negotiations for the Inuit land claim were off to an amiable start.

The government received the ITC proposal and said it would study it. The government even asked for some meetings to clarify parts of the proposal. I understand that one of those meetings has already taken place. As I said, this tells me that the negotiations over the Inuit land claims have started. On March 29, a series of exploration permits were issued. These were permits to explore for uranium, and they are by no means singular. The government has been issuing these things wholesale for the past several years—permits to drill for oil and gas in the Beaufort Sea, permission to carry out seismic testing in Lancaster Sound, and so on. However, there is a difference now. All that land is the subject of land claims negotiations.

I and the ITC, as well as many others, view the act of granting permits of this kind without informing the ITC as nothing but an act of extreme bad faith.

On April 6 the ITC delivered a letter to the minister to outline their grievance which, I repeat, is serious. It is felt that the whole negotiation is in jeopardy. The next day when I asked my question in the House the minister was not even aware of the matter. There is no excuse for this. The land claims issue should be of utmost importance to this department. The people concerned seem to be too busy handing out exploration permits to care about this matter.

To add insult to injury, several days later the minister had the nerve to send a patronizing and highhanded letter to the ITC explaining the nitty-gritty details of how one should go about obtaining an exploration permit. The letter goes on to slap Mr. Arvaluk on the hand for making his letter public. I guess that is a high sin in a department that does all its work in secret.

So, there you have it. A minister and a department charged with the task of dealing with native people and with settling land claims would seem to be too busy helping southern companies grab resources while the grabbing is good. The minister does not even take the time to keep himself informed about a matter that could ruin the negotiations. Perhaps the minister does not have control of his department; perhaps he is a minister who just does not care. I do not know for sure, but that is my opinion at this time. When will the Minister of Indian Affairs and Northern Development (Mr. Buchanan) realize he has responsibilities in the field of Indian affairs and northern development, and act more responsibly in respect of the native people of this country?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the 68 prospecting permits questioned by the member were issued as such permits are issued every year on April 1. These prospecting permits are issued consistent with the general administration of lands in the north, and grant to the holder the right to explore for minerals within an area designated by the permit. This is done by officials of the department and is not a matter ever referred to the minister.

It is true that there was no consultation with the public prior to the issuance of the permits in the tradition of strict confidence of the prospector. However, if these prospectors wish to start exploration programs, they, the permittees, must apply for a land-use permit. These applications are forwarded to any and all affected communities; in addition there is a 42-day period required for consultation before any decision is made.

A few short weeks ago, Mr. Speaker, I was much impressed with the honour and integrity displayed by the Inuit-Tapirisat on February 27 as they presented their proposal for sharing Nunavat. I find it surprising, therefore, that on the Tuesday of the very week in which the hon. member for the Northwest Territories (Mr. Firth) raised this question, some two days later James Arvaluk and executive members of the Inuit-Tapirisat met with the minister for one and one half hours and discussed a wide range of concerns, followed by an additional hour and a half meeting between the Inuit-Tapirisat representatives and departmental officials, and never once in those three hours was the matter of prospecting permits even mentioned. Yet on that same date these same representatives wrote a letter to the minister of such seriousness and deep concern that his resignation was sought by them on this issue. Discourtesy, Mr. Speaker, like courtesy is a two-way street.

● (2200)

I can only say that knowing as they do that consultation must take place before a land-use permit may be issued, and having spent a full three hours in discussion and consultation on the very day of their written complaint, the Inuit-Tapirisat have shown a rather surprising course of action, and I am afraid that unfortunately it calls into question the heretofore automatically accepted good faith of the Inuit-Tapirisat.

Adjournment Debate

PENITENTIARIES—BRITISH COLUMBIA—SUGGESTED NEED FOR REORGANIZATION OF STAFF—CONFIDENCE OF MINISTER IN ADMINISTRATOR

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, on March 29 I raised a question in the House with the Solicitor General (Mr. Allmand) regarding the problems facing the administration within the B.C. Penitentiary, and I asked the minister whether he did not agree that the administration of the B.C. Penitentiary requires immediate and undivided attention to bring about a radical reorganization of the staff structure as well as of its philosophy. My concern has been the fact that there has been a very high turnover in the staff at the penitentiary.

I visited that institution soon after I was elected, and then again not long after that. The one thing that impressed me was the fact that among the guards there is a very high turnover. I cannot really blame the administration entirely, especially when I learned some of the facts that faced them. They have to hire people off the street for about $3.60 or $3.80 an hour. They have to give the guards on-the-job training, and by the time these men are trained for very sensitive positions they find a better paying job.

If you find someone for $3.60 or $3.80 with good qualifications, how do you keep him when there are other job opportunities all over the country paying much better than that? As a matter of fact the guard who showed me around the penitentiary had been there about 19 years and he was making less than $6 an hour, yet we expect him to be a specialist.

Soon after I got back to Ottawa I spoke to the Solicitor General about this, and his immediate retort was that it was the job of the President of the Treasury Board (Mr. Chétien). That is entirely true, but it is the Solicitor General's job to fight in cabinet to provide the kind of funding that will make the penitentiary service operate the way it should. He is responsible for that chain of command.

I am not really speaking of more spending or of adding to the total budget of the government, especially when it is talking about austerity. I am speaking of the rearrangement of priorities within the government. The Solicitor General speaks continually about rehabilitation in prisons, he speaks of this in grandiose terms. At the same time he does not provide the kind of personnel that can initiate a program of rehabilitation within that service. The reason he does not do that is that the kind of personnel that would be qualified can find plenty of other opportunities to do the same kind of work for better pay.

There is one other point that I would like to bring to the attention of the House, and again it is a matter of a rearrangement of priorities. The administration of the Pacific region has a staff of approximately 80 in its Vancouver office. I hasten to add it is in the Vancouver office, not in the penitentiary at New Westminster or at Matsqui. But is it in a hostel, a cluster of mobile homes, or even in a renovated warehouse? No, Mr. Speaker, the Pacific region office is in the Pacific Centre, which is probably the most expensive office space not only in Vancouver but in all western Canada.

What does the Solicitor General mean when he says this is the job of the President of the Treasury Board? Such a

statement is consistent with the pattern established by the government. The bureaucracy is top heavy even though that mitigates against the proper administration of the service that is supposed to be provided. If there is a divisional region then there has to be a division head who must have several assistants; they have executive assistants; each one of those has a secretary, and then of course there is the information office. By the time the superstructure is in place there is no foundation to carry it.

As I said earlier there is a staff of approximately 80 in Vancouver to operate the B.C. Penitentiary, the jail at Matsqui, and the minimum security system, a ratio of about one officer in Vancouver to ten inmates. What kind of stupidity is that, Mr. Speaker? If the Solicitor General is serious about a wholesome, creative, and effective penitentiary service he will rearrange the financial priorities and the administration of his department without bothering with the President of the Treasury Board. He should hire people for the penitentiary service who can do the job, and he will be able to hire them if he offers attractive salaries.

I challenge the Solicitor General to take his job seriously. Put the money where it ought to be—in the direct service of those who are directly responsible for the safekeeping of criminals who are a hazard to society. If he were to funnel the money to the foundation rather than the superstructure we would have a penitentiary service with good morale. Staff turnover would be reduced, and we would have the kind of peace and security that the government purports to want for this country.

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Mr. Speaker, it is a pleasure to be here with the hon. member for Surrey-White Rock (Mr. Friesen) in the late show. I should like to refer to the question he asked on March 29, 1976, when he stated that 33 of the 43 members of the socialization division of the British Columbia Penitentiary resigned or transferred in 1975, and 75 per cent of the custody division are in the service less than six months.

The Commissioner of Penitentiaries advises that the socialization division of the British Columbia Penitentiary consisted of 43 members until a few months ago, when three of these members were transferred to organize the regional reception centre, Pacific region. The socialization division therefore consisted of 40 positions. During the last calendar year 15 of these became vacant through five resignations, six transfers to other positions, three transfers on promotion, and one member deceased. Mr. Speaker, 12 of these positions have been filled and three are now vacant. Slightly more than 35 per cent have left, and not all because they were dissatisfied. The hon. member had the figure at 75 per cent.

There has been a significant reduction in the turnover of personnel during the first quarter of this year. Since the hostage-taking incident in the summer of 1975, some changes have been made in the organization of the institution. Emphasis has been placed on staff training within the institution, and a staff training officer has been appointed and provided with training facilities. It is anticipated that this change in approach to staff training will have a positive effect on staff morale, by making the staff more aware of management philosophy and concerns within the institution.

● (2210)

A new assistant director of services has been appointed to replace the former incumbent who had retired. A new assistant director of security, a person who is a staff-oriented leader, has been appointed. A new assistant director of industry was also appointed and given the task of reorganizing the industrial shops in order to provide more work and increase production. It is anticipated that these new appointees will bring a new vitality and increased stability within the institution.

The hon. member for Surrey-White Rock also stated that some 75 per cent of the custodial staff at the British Columbia Penitentiary had less than six months of service. In fact only 34 out of 187 officers employed in custody in 1975 had less than six months of service. This represents some 18 per cent of the custodial force. The staff turnover is considered normal in the province of British Columbia in this type of employment.

At this time I should like to repeat an earlier statement made by the Solicitor General (Mr. Allmand), that he has full confidence in the administrator of the British Columbia Penitentiary. As he said earlier in the House in answer to the oral question of the hon. member, the hon. member will probably be ready to reconsider his opinions of the British Columbia Penitentiary administration when he reads the report which it is expected will be released in the near future.

Motion agreed to and the House adjourned at 10.13 p.m.

HOUSE OF COMMONS

Friday, May 7, 1976

The House met at 11 a.m.

ROUTINE PROCEEDINGS

[*English*]

PRIVILEGE

MR. BAKER (GRENVILLE-CARLETON)—REFERENCE TO REMARKS OF MR. AUGUSTE CHOQUETTE

Mr. Speaker: The hon. member for Grenville-Carleton (Mr. Baker) has given the Chair notice of a question of privilege and also advised the Chair that there seems to be some disposition in the House that the question of privilege is of such a nature that it ought to be taken forthwith.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I want to thank my colleagues with respect to this matter. I regret very much that it is necessary to deal with this question on a day set aside for the discussion of pollution and its effects on native people. Therefore, I shall be very brief with respect to this matter.

Mr. Auguste Choquette is quoted as saying before an open court and I quote:

—if everyone who had ever taken or given $600 or $700 bribes in their life were arrested, 50 per cent of the MP's would no longer be sitting.

● (1110)

He also said:

I know it because I was an MP for five years.

Clearly, he means MP's performing as members of parliament.

The source of these remarks and the wide distribution they have been given forces our attention. An institution as venal and corrupted as Mr. Choquette asserts this parliament to be would have no right to respect from the Canadian people. If true, the remarks must be acted upon and the historical penalties exacted; if they are false, a public declaration by Mr. Choquette must be made withdrawing the slanderous accusations against half the members sitting here.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): As you know, Mr. Speaker, the remarks are almost certainly a question of privilege. Standing Order 76 and Beauchesne citations 434, 435 and 108(5) deal directly with bribery. The last citation calls the offering of a bribe "an insult not only to the member himself, but to the House"; and the acceptance of a bribe has always been "a grave offence, which has been visited by the severest punishments". On page 138 of May's 18th edition, the penalty described is imprisonment or expulsion from the House.

Acceptance of a bribe is a serious form of corruption and Beauchesne 111(h) states that "imputations against members of corruption in the execution of their duties" is a breach of privilege. Citation 110, in describing "high violations" against the House, provides:

The same rule applies to a charge against a member for conduct which renders him unworthy to sit in Parliament and to criticize the House for not expelling him.

So gross an accusation, Mr. Speaker, must surely be justified with facts, or apologized for at the bar of the House.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): It seems to me important that the Standing Committee on Privileges and Elections examine Mr. Choquette and establish the facts for the sake of the reputation of parliament and all its members. I therefore move:

That the accusation that a substantial proportion of the members of the House of Commons have been in receipt of bribes be referred to the Standing Committee on Privileges and Elections.

[*Translation*]

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I eagerly support the comments of the hon. member for Grenville-Carleton (Mr. Baker). I am certain, for that matter, that all members of the House will agree with me. Mr. Speaker, like all members I was appalled at the report of Mr. Choquette's statement.

[*English*]

It is essential, and no one will question, that the integrity of all members of this House be protected. It is with that thought in mind that I fully support the motion made by the hon. member for Grenville-Carleton (Mr. Baker).

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I am sure we are all pleased that the hon. member for Grenville-Carleton (Mr. Baker) has raised this important issue at the first opportunity. I think both he and the previous speaker are to be commended for the brevity of their remarks. It seems to me that the case is so clear that it does not need extensive debate. I hope that Your Honour will find there is a prima facie case of privilege and that the motion made by the hon. member for Grenville-Carleton will therefore be ruled in order.

We all feel that when someone like our former colleague, Mr. Auguste Choquette, makes a statement of this kind, especially when he makes it in open court, he should be called upon to answer for it, to substantiate it or to withdraw the serious charges he has made. I hope that very shortly this matter will be before the Standing Committee on Privileges and Elections.

While I am on my feet, Mr. Speaker, I should like to echo something the Solicitor General (Mr. Allmand) said the

other day in another connection, and that is that when things like this are said, or when improper things are done, it is not just one party in the House or a few individuals here, but it is the whole institution of parliament that comes under a shadow. It is really serious that there is such cynicism in Canada, as there is today, about this institution and about democracy, and we should be taking the most positive steps we can to correct this situation. Therefore, Mr. Speaker, I indicate our readiness to support the motion that has been presented to you this morning.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. C.-A. Gauthier (Roberval): Mr. Speaker, I think that the motion which has just been presented should be referred to the Committee on Privileges and Elections because, on the one hand, if false allegations have been made, I think it is the interest of all members to protect themselves; this is the only way they can protect themselves; and on the other hand, if the allegations are true, the public will know what is going on in Parliament. I for one am very satisfied with the motion, and I think that we must clarify all these allegations coming from all sides and all these so-called bribes we hear about every day. It would be one of the first opportunities for the Committee on Privileges and Elections to shed some light on these matters, and if it is successful in doing so, we will have to continue. That is why I am in favour of this motion.

[*English*]

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should just like to add one word. I endorse the motion, but I want to emphasize something that may have been said in order to make it very clear. Traditionally, we in Canada have had very dedicated men and women in our public service, and traditionally they have been known as people of high integrity. As I read the statement, if it is correctly reported, it is not only a slight on every member of parliament, as well as every person who has been a member, but also a slight on the dedicated people in the public service of Canada.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. For very obvious reasons it is clear that the motion enjoys widespread, if not unanimous, support, and I would be surprised if it were not unanimous. If the Chair were to have any hesitation in putting the question at this time it would only be in respect of the ironing out of procedural difficulties which might be involved. I do not see why that cannot be done in a preliminary way by the committee, if in fact the matter were to be referred there.

For example, in respect of the motion it does occur to me that some reflection should occur, until perhaps later in the day or until Monday, regarding the form of the motion itself and other paragraphs that may be added. I wish to make it very clear that there is not the slightest doubt in the Chair's mind that the question ought to be put to the House. After all, it should be stressed that a decision which is made by the Chair is often referred to as a decision as to whether or not a prima facie question of privilege exists. That is a convenient phrase, but the fact of the matter is that it is not entirely correct. What the Chair is doing is simply making a decision as to whether the proceedings ought to be stopped in order to give priority to a motion which has been raised under the title of a question of privilege. There is not the slightest doubt in the Chair's mind that this ought to be done either now or at an appropriate time.

The only reason I suggest a time lag before putting the question is that there are things to be considered as, for example, the language of the motion, which obviously had to be prepared very hurriedly, and, secondly, the powers the committee ought to enjoy, as well as the other powers the House may wish to exercise in respect of this sort of thing. After all, this is a statement not made by a member over whom the House has some jurisdiction, but a statement made by someone outside. It may be necessary that the House exercise some special powers in that regard. It may also be that there may be some conflict with some privileges of a lawyer pleading a case in open court; I do not know. However, it occurs to me that the Chair ought to make clear, and I now wish to do so, that I am prepared to interrupt the proceedings now to put this question or I am prepared to give the House a bit of time to reflect on the polishing of the motion, only from a procedural point of view, to make sure that after reflection the motion in fact does include all the powers the committee ought to enjoy to investigate a matter of that sort. I would appreciate some guidance from the members in that respect.

● (1120)

Mr. Baker (Grenville-Carleton): Mr. Speaker, I appreciate what you have said and I think, having regard to the importance of the question, it would be the wish of all members of the House that the committee be completely empowered having regard to the subject matter or empowered to the extent it can be. I for one, as the mover of the motion, would certainly have no objection. I hope those who spoke in support of it and the members of the House generally would have no objection to the delay for the reasons you suggested.

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, I should like to endorse the position taken by the House Leader of the Progressive Conservative Party on behalf of the government. We are very anxious that this question of privilege should be thoroughly aired and that everything should be done to minimize the effect upon this honourable House of the alleged statement by Mr. Choquette.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, we agree to the delay, but I think it would be a good idea to have the motion finally drafted and presented sometime later today.

Mr. Speaker: Order, please. The Chair certainly understands that sentiment. Certainly, from my point of view it would be most undesirable to give any indication at all that the House is in any way delaying dealing with this matter. It is a matter of the utmost importance. I wonder, in light of the absence for example, from the motion of the name of the person who is connected with the statement, whether there should be some consideration of the power that the committee ought to have. It might be that during the question period some consideration could be given to

that, and some polish could be given to the motion, so that at the end of the question period there might be an appropriate motion to be put. I might invite the co-operation of the House later in that regard and re-raise the matter at the time the question period concludes which, I would think, should be in about 50 minutes from now bearing in mind the ordinary duration of the question period on Friday.

Is that agreed?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

[*English*]

TRADE

CANADA-UNITED STATES AUTO PACT—REQUEST FOR DETAILS OF GOVERNMENT'S POSITION ON RENEGOTIATION

Mr. Jim Balfour (Regina East): Mr. Speaker, my question is for the Prime Minister. Yesterday in the meeting with the United States Commerce Secretary the Minister of Industry, Trade and Commerce agreed that there is no need to renegotiate the auto pact. I appreciate the minister's desire to be a good host. However, I think the Prime Minister should give this House a full explanation as to how that position enhances our national interest. Would the Prime Minister explain the government's position on this and table all the background material that led the government to this position.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the member is asking me for a statement. I will convey the question to the minister concerned.

Mr. Balfour: Mr. Speaker, my supplementary is again directed to the Prime Minister. I understand there are differences of opinion about the timing and nature of any changes. However, I would have thought the government at least would have kept the option open on the matter of renegotiation. Is it the position of the government that the existing terms will ensure in 1976, and over the medium term, balance in all aspects of automotive trade? If so, would the Prime Minister explain the basis for such confidence?

Mr. Trudeau: Mr. Speaker, I will be glad to draw these further remarks to the attention of the minister.

CANADA-UNITED STATES AUTO PACT—REQUEST FOR ASSURANCE GOVERNMENT WILL MAKE EFFORTS TO RESUME NEGOTIATIONS

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, my question is for the Prime Minister. I appreciate the difficulty here because the Minister of Industry, Trade and Commerce who was involved in the negotiations is not here today. On April 30, 1976 the Minister of Industry, Trade and Commerce advised the House that political events in the United States during the balance of this calendar year may make it difficult to complete negotiations for any changes in the auto pact. That is recorded at page 13029 of *Hansard*. However, the United States Secretary of Commerce indicated that the United States election would not stand in the way of further talks on the auto pact this year. Would the Prime Minister assure this House that every effort will be make to resume talks on the renegotiation of the pact, as soon as possible, now that the assurances have been received that the political climate would not preclude such talks?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I understand that hon. members are making various representations. I understand also that the minister is travelling with the United States Secretary of Commerce and is in Toronto, I believe. I, myself, was engaged in a meeting with the first ministers, so there has been no discussion between Mr. Jamieson and myself. I will draw these various questions to his attention or his excellent parliamentary secretary will do that on my behalf.

PROPOSED COMMITTEE OF INQUIRY INTO CANADA-UNITED STATES AUTO PACT

Mr. Bill Kempling (Hamilton-Wentworth): My question is again for the Prime Minister. Reference was made in Mr. Richardson's remarks yesterday to the fact that major auto firms were ordering parts from third countries, which may be a factor contributing to the serious deficit of the auto parts industry. This reflects the fact that the auto pact is a bilateral agreement from the U.S. side and a multilateral agreement from Canada's side. Would the Prime Minister give serious consideration to the establishment of a special committee of this House to inquire, report upon and make recommendations with respect to the difficulties in the Canada-U.S. auto pact and of the auto parts industry under the Canada-U.S. auto pact?

Right Hon. P. E. Trudeau (Prime Minister): Perhaps the hon. member could raise that with his own House leader and it will be discussed with the House leaders of the various parties.

CANADA-UNITED STATES AUTO PACT—GOVERNMENT VIEW OF NEED FOR CHANGES IN VIEW OF DEFICIT

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I too have a question for the Prime Minister. Although it concerns automotive trade it is not a detailed question which would require a ministerial reply. It concerns overall government policy. In view of the minister's statement that no changes are required in the autopact,—presumably reflecting government policy—and given the fact that the purpose of the pact, and I quote from the preamble, was to ensure "fair and equitable" growth in the industry for both countries, and since we now have had a cumulative deficit of more than $5 billion in the 111 years of the pact, $2 billion of which came last year, does the Prime Minister agree that it is government policy that no changes in such an unbalanced situation are required?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, here again the hon. member is asking me a question about a statement made by the minister which obviously I

have not had time to see. If he is asking a general question about changes, let me remind him that a couple of years ago on this side we were talking about changes in the auto pact and the hon. member was awfully shocked that we would even be contemplating them. So the government's policy changes, and so does the opposition's.

Mr. Broadbent: As is frequently the case, the Prime Minister has his facts wrong. The changes the government was talking about a few years ago were to remove the safeguards in the pact, at which time the Prime Minister was under pressure from the U.S. because they had a slight imbalance of $200 million in 1970, and they were raising hell. We now have a deficit of $2 billion, and I would like the Prime Minister to tell the House when the Canadian government will start raising that issue in a forceful way with the Americans.

Mr. Trudeau: I do not accept the facts as stated by the hon. member concerning the attitude of the government, but it does point out that sometimes the pact works to the advantage of one country, sometimes to that of the other. The hon. member certainly cannot blame the government for having wanted two years ago to look at the pact so that in the long term it would work in the interests of Canada. What I am saying is that then he was afraid of any change and now he wants changes. He should be more consistent.

Some hon. Members: Oh, oh!

Mr. Broadbent: Mr. Speaker, the changes we favoured a few years ago are precisely the ones which, had they been implemented, would not have led to the kind of massive deficits we have today. When the Prime Minister says that sometimes the pact works to the advantage of the U.S. and sometimes to the advantage of Canada, does he see that a deficit position for Canada in eight of the 11 years with a cumulative imbalance of more than $5 billion is the kind of ebb and flow in such an agreement that his government favours continuing in its present form?

● (1130)

Mr. Trudeau: What the hon. member conveniently forgets is that before the pact came in we had an enormous deficit, and it was this Liberal government under the present Minister of Public Works which brought in this pact, which has worked very favourably for Canada. We now have a much better situation than before the Liberal government brought in this change.

Mr. Broadbent: You had better check your figures.

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[*Translation*]

AGRICULTURE

DAIRYING—REQUEST FOR EXPLANATION OF DELAY IN DISTRIBUTING NEW REGULATIONS CONCERNING QUOTAS

Mr. C.-A. Gauthier (Roberval): Mr. Speaker, my question is directed to the Minister of Agriculture.

Having received many complaints from my area about the publication and distribution to dairy producers of the new regulations on production quotas and considering that such delay hinders the planning of their future production, can the minister tell us today when he expects to send those new regulations to dairy producers?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I understand that the provincial marketing boards, associations, public utilities or whatever they may be are the ones which are to distribute these, and if they are not distributed, I will check and find out why.

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ENERGY

OIL—AGREEMENT THAT PRICE SHOULD NOT EXCEED UNITED STATES PRICE

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Prime Minister. Now that the first ministers conference is over—and I realize that no agreement was reached on price yesterday—I wonder if the Prime Minister could tell the House and the country whether at least an agreement that the price of crude oil in Canada should not rise above the average price of crude oil in the United States was reached.

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, that was something we all agreed on, including the producing provinces.

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RESOURCES

CANADA'S POSITION ON MINING OF SEABED—CONSULTATIONS WITH UNITED STATES

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to address my question to the Minister of Energy, Mines and Resources. Arising out of the failure of the Law of the Sea Conference to agree on a treaty governing the exploration of the mineral resources of the deep seabed the Minister of Industry, Trade and Commerce has had conversations with the United States secretary of commerce, Mr. Elliott Richardson, on the subject of commercial uses of the seabed. Given the fact that the United States is keen to proceed with the exploration of the mineral resources of the deep seabed, an activity which has very serious implications for Canada, can the minister tell the House Canada's position on this important matter and inform us if it is his intention to hold immediate discussion with his United States counterpart in order to learn the U.S. position and hopefully to resolve this thorny problem?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member will understand that that is a very general question which was part of the discussion which took place yesterday between the Minister of Industry, Trade and Commerce and his counterpart in the United States. As a minister of energy I do not have any direct counterpart in the United States; therefore, I would expect the discussions to take place between the Secretary of State for External Affairs and perhaps the state department of the United States.

CANADIAN RESPONSE TO DR. KISSINGER'S PROPOSALS FOR MINING SEABED

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I have one brief supplementary for the Prime Minister. In his address to the Law of the Sea Conference on April 8, Dr. Kissinger said that if the deep seabeds are not subject to international agreement, the United States can and will proceed to explore and mine on its own. However, he said he would favour partial international control through a council which should reflect the interests of producer and consumer states most concerned with deep see mining. Canada is clearly one of these. He also said that the United States would agree to accept a temporary limitation for a fixed period only on the production of seabed minerals tied to the projected growth in the world nickel market. After this period seabed production should be governed by overall market conditions.

I should like to ask the Prime Minister what the Canadian response has been to these proposals as put forward by Dr. Kissinger.

Right Hon. P. E. Trudeau (Prime Minister): I will inquire, Mr. Speaker.

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EXTERNAL AFFAIRS

SUGGESTION CANADA CALL CONFERENCE TO DECIDE BOUNDARIES OF LAND AT BOTTOM OF THE SEA

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, my supplementary question is on the same subject, and it is also addressed to the Prime Minister. In view of the failure of the Law of the Sea conference of yesterday, and in view of the fact that the present international law is based on the Canadian proposal of 1958, namely, that the land at the bottom of the sea belongs to the littoral state, would the Prime Minister now consider, since this was a Canadian proposal in 1958, that Canada now should take the lead and call for a conference of the nations of the north Pacific and the north Atlantic to decide what the boundaries of the land at the bottom of the sea in these two respective oceans are?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am sure the Secretary of State for External Affairs, who will be returning from the Law of the Sea conference, will be interested in these suggestions.

PRIORITY OF NEGOTIATIONS WITH UNITED STATES CONCERNING EXTENSION OF BOUNDARIES 200 MILES SEAWARD

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I wonder if the Prime Minister can say whether the Canadian government has assigned a very high priority to negotiations with the United States on the determination of the boundaries between our two countries on the west coast, on the north coast and on the east coast, as they will extend out to the 200 mile limit. There are extremely important matters at issue here, and I wonder if the Prime Minister is really aware of how high a priority must be

attached to those negotiations and when they are going to begin.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I heard the Minister of State (Fisheries) answer a similar question a few days ago. I agree that, in view of the results of the Law of the Sea Conference, this question has added urgency. I am sure it has rather high priority.

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[*Translation*]

BILINGUALISM

INQUIRY AS TO WAY FEDERAL SUBSIDIES ARE SPENT

Mr. Maurice Harquail (Restigouche): Mr. Speaker, I should like to put a question to the Secretary of State.

With regard to bilingualism in education, could the minister tell the House how federal subsidies for bilingual education are divided among provinces. Can he assure us that those funds are indeed devoted to provincial bilingual education programs?

[*English*]

Hon. James Hugh Faulkner (Secretary of State): Yes, Mr. Speaker, I would be pleased to do that. In the case of the province with which I think the hon. member is concerned, it is roughly $8.9 million per year. As to exactly how that is expended I would have to give him a more elaborate answer, probably later this day.

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THE CANADIAN CONSTITUTION

PROTECTION OF RIGHT OF PROVINCES TO OBJECT TO AMENDMENTS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to direct a question to the Prime Minister. I know he was busy yesterday discussing with the premiers the energy problem, but with reference to the constitution, was there any agreement with regard to that? Second, will the Prime Minister assure the House, and in particular the small provinces—I am perhaps speaking now out of a little selfish interest in reference to western Canada—that whatever the mechanisms in the criteria for amending the constitution are there will be some mechanism to protect the small provinces, and that it will not be only Quebec or Ontario which will have the right to veto any changes when the constitution is home?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, on the first part of the question, the premiers informed me that they are having their ministers meeting, I believe within the next fortnight, on this subject, and that they would be in a position to report to me on the success or otherwise of that meeting at the first ministers meeting on June 14.

On the second part of the question, if the hon. member refers to the letter I tabled in the House which I addressed to all the premiers about a month ago, he will see that under the various options there are indeed ways in which

amendments to the constitution can be stopped by the western provinces if they so desire.

Mr. Woolliams: I am familiar with the letter, but I should like some assurance. The hon. member for St. John's East raised with the Prime Minister the fact that the various leaders of the provinces are in some accord that the constitution should be home in Canada. However, whatever method is adopted there should be some mechanism to protect the rights of western Canada and other small provinces, and these mechanisms should be spelled out. Under the BNA Act provincial rights are protected.

Mr. Trudeau: That seems to be the same question. The hon. member will find the answer in my letters, if he wants to read them. He will find a more detailed answer in the reports on the Victoria conference of 1971 in which he will see the formula agreed to by all provinces, including the western ones, for amending the constitution.

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MUSEUMS

REASON FOR DISMISSING EMPLOYEES AND REPLACING THEM THROUGH CONTRACTS WITH PRIVATE FIRMS

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I have a question for the Secretary of State. Some 28 full time employees of the national museums of Canada have been laid off—many without notice—in an effort to reduce departmental man years. Can the minister explain the rationale in terminating the jobs of experienced security personnel and truck drivers, then hiring employees at public expense through contracts with private firms to replace them?

● (1140)

Hon. Hugh James Faulkner (Secretary of State): Mr. Speaker, I answered part of the question yesterday. The hon. member added a few more wrinkles and I shall answer those in more detail later this day.

Mr. Symes: A supplementary question, Mr. Speaker. The minister's statement was a non-answer. As 80 more employees may be declared redundant, will the minister give a commitment that public employees will be given adequate notice of their job termination and not laid off from the national museums or other museums until replacement jobs can be found for them?

Mr. Faulkner: Mr. Speaker, that is precisely part of the answer I gave yesterday. That was, in part, an answer to the hon. member's question of today.

Mr. Symes: But it is not being done.

Mr. Faulkner: The hon. member contends it is not being done. We shall discuss that later.

[Mr. Trudeau.]

ROYAL CANADIAN MOUNTED POLICE

ALLEGED FEAR OF MEMBER FORCE WILL ATTEMPT COUP D'ÉTAT—GOVERNMENT POSITION

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is directed to the Solicitor General. Can the Solicitor General confirm the very obvious fear of the hon. member for Montmorency of a coup d'état in this country by the Royal Canadian Mounted Police, and, if the minister feels the same way, has he alerted his cabinet colleagues to this terrible and monstrous probability so that alternative security forces will stand by with bayonets drawn au qui vive—such groups as the Armed Forces, the EMO and the Canadian Boy Scouts?

Mr. Paproski: And General Dare—me and my shadow!

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I know of no evidence to support the allegations made by the hon. member for Montmorency.

Mr. Speaker: The hon. member is recognized for one serious supplementary.

Mr. Lawrence: Sir, I wonder if the minister really shares the opinion of his colleague. If he does not, does he not feel that such comments seriously jeopardize the credibility of that great force?

Mr. Allmand: Mr. Speaker, I do not share his opinion. Members are free in this House to express their opinions, and the hon. member expressed his opinion, but I do not agree with him.

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[*Translation*]

HOUSE OF COMMONS

REQUEST FOR INQUIRY INTO ALLEGATIONS BY MEMBER OF USE OF PRIVATE DETECTIVES BY CONSERVATIVE PARTY

Mr. Roch La Salle (Joliette): Mr. Speaker, my supplementary question is also directed to the Solicitor General.

In yesterday's edition of *Le Devoir*, there is an article in which the following extract is found:

> Outside of the House of Commons, the hon. member for Maisonneuve-Rosemont (Mr. Joyal) stated that he did not have any evidence that could be connected with the hiring of private detectives . . . by the Progressive Conservative Party as such, but that numerous indications suggest a plot being conducted behind the scenes . . .

This statement is strangely similar to the allegations made by Mr. Choquette yesterday, in Quebec City. Therefore, would the Solicitor General be prepared to discuss such allegations with his colleagues and make a report to the House?

[*English*]

Hon. Warren Allmand (Solicitor General): Mr. Speaker, as I said yesterday, I have received complaints about private detectives investigating the public and private lives of members. I am looking into that further. Until I get more information I will not comment.

HEALTH

REQUEST FOR INCREASED FUNDS FOR RESEARCH INTO DIABETES

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. Because the government introduced an austerity program, the minister cut back on funds for research projects. I suppose people in all fields of research ask for special attention. I am particularly concerned about research projects to do with diabetes and the production of insulin. In view of Canada's enviable reputation in this field, will the minister reconsider what he is to allocate to this particular field of research, and fund it as it deserves to be funded?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I should like to tell the hon. member first of all that with regard to production of insulin, I am told that the production in Canada is quite adequate to meet present needs.

As for the allotment of funds for research, in the field specifically mentioned by the hon. member, I must say that admittedly that field is very important. I would remind the hon. member, however, that I am not the one who decides on how those funds are shared among the various branches of medical research. I am not the one, as minister, nor are the officials of my department, the ones who divide them up. The funds are allotted by an autonomous and independent body known as the Medical Research Council whose decisions in the field of medical research are taken by experts and not by myself.

[*English*]

REQUEST FOR FUNDS FOR INVESTIGATION OF ACUPUNCTURE

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, may I direct a supplementary question to the Minister of National Health and Welfare. Will the minister recommend to the appropriate committee which deals with the allocation of funds to medical research that more funds should be made available for investigation of acupuncture treatment?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I shall draw the hon. member's representation to the attention of the Medical Research Council. The Medical Research Council receives *Hansard* and I am sure they will note the hon. member's representation. That is all I can do, I think, about the hon. member's question.

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AIR TRANSPORT

SUGGESTED INQUIRY INTO SAFETY ASPECTS OF USE OF BILINGUAL AIR TRAFFIC CONTROLLERS

Mr. J. H. Horner (Crowfoot): Mr. Speaker, may I direct a question to the Minister of Transport in connection with air safety? As there is a great deal of uncertainty and concern these days about the role of air traffic controllers and as the minister replied the other day, as reported on page 13200 of *Hansard*, to this effect:

> . . . I should like to show the hon. member that we are not at all hesitant about any kind of examination of our procedures in regard to air traffic control and the safety involved.

Is the minister prepared to recommend an examination of the technical aspects of air safety and the cost to the travellers? I ask this because of the additional costs air lines will need to absorb because of some movement in this country with regard to the linguistic re-allocation of air traffic controllers.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the hon. member raises two separate and distinct issues, possible additional costs and the nature of additional procedures which may be involved. I think this involves broad policy which must be judged in terms of balance of interests, or in terms of the kind of judgment made by this House when it showed widespread support for the official languages policy. On the issue of safety, however, I assure hon. members, as I have assured them many times in the past, that we are dedicated to the introduction of safe techniques and procedures before we introduce bilingual air traffic control in Quebec, in the field of instrument flight rules. We have undertaken research and development in this field with our simulator. Actually, the program got under way yesterday.

Mr. Horner: A supplementary question, Mr. Speaker. Am I to gather from the minister's reply that the department and the minister do not favour allowing this highly technical subject to be examined by a competent committee?

Mr. Lang: Mr. Speaker, that, precisely, is what we are doing.

Mr. Horner: I am talking about an independent committee.

Mr. Lang: We have the co-operation of the various air line associations and groups representing pilots and controllers. They are working, with the simulator, in the development of procedures. The question of a specific additional inquiry is being discussed in another context these days. As I said earlier in the House, I have no hesitation with regard to any kind of examination of techniques and procedures we shall be using. We shall be satisfied and I am sure that those involved in the program will also be satisfied that we have evolved safe procedures.

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[*Translation*]

EXTERNAL AFFAIRS

POSSIBILITY OF SENDING HELP TO EARTHQUAKE VICTIMS IN ITALY

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I have a question for the Parliamentary Secretary to the Secretary of State for External Affairs.

Yesterday, a tragedy occurred in northern Italy where an earthquake struck. As tens of thousands of Canadians come from this area, can the parliamentary secretary tell the House whether a report has been submitted to her on

this subject and whether the government of Canada is taking special steps to help the victims of this disaster?

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, we have received reports inasmuch as telex communications are possible. We were very sad to hear that an earthquake apparently killed at least 132 people up to now, in the areas of Udine and Padua, in northern Italy. However there were no reports of Canadian citizens being involved.

Let me take advantage of this opportunity to express our deeply felt sadness to all Italo-Canadian families of Frioulian origin and our sympathy to the Italian government. I shall simply add that CIDA is in close contract with the International Red Cross and the Canadian Red Cross to determine whether we may be of any help.

* * *

● (1150)

[*English*]

HEALTH

POLIO VIRUS IN OTTAWA AREA—SUSCEPTIBILITY OF STRAIN TO SALK VACCINE—REASON FOR DELAY IN TESTING

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. On May 3, in the minister's absence I directed a question to his parliamentary secretary regarding the five strains of polio virus which had been found in two sewage treatment plants in the Ottawa area. I asked whether these virus samples had been sent to the biology laboratory. The parliamentary secretary stated they had just been sent and that no report had been received. I now want to ask the minister two questions. First, can he tell us whether the report of the biology lab has been received and whether these strains are suspectible to Salk vaccine? Second, why, since the department knew of this since last January, were these tests not made at an earlier date.

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the data relating to the 15 polio viruses that were isolated in the Ottawa area were reported at the symposium held at the University of Ottawa on January 23, 1976 at which were present officials from the local health authority, the Ontario health authority, and the federal government. Our report to the University of Ottawa indicated that ten of the 15 polio viruses were classified as vaccine-like. The remaining five strains showed no reaction with Sabin vaccine anti-serum, but could not be characterized, I repeat, could not be characterized as virulent strains. I am advised that it is rather difficult to establish the origin of the five polio virus strains, but the polio virus is a relatively stable one. Therefore, immunization with either Sabin or Salk vaccine would be quite adequate to meet the problem in this instance.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the fact there is a difference of opinion among medical authorities as to whether Salk vaccine has only limited application for certain strains and Sabin vaccine provides complete immunity, will the minister advise the House whether the tests have been received from the biology lab, as I am sure the minister would not want to carry on or have the province carry on an immunization program only to find out the vaccine they have used provides only limited protection.

Mr. Lalonde: Mr. Speaker, I am sure the hon. member, being a layman in the field like myself, will not want to create undue fears vis-à-vis the effectiveness of the existing vaccine in Canada. I might advise him that the National Advisory Committee on Immunizing Agents met last October 30 and 31 to study the matter of all vaccines presently used in Canada, and proposed an immunization schedule. Both Sabin and Salk vaccines were found suitable to fight polio. They are both acceptable ways of treating polio. With regard to these particular strains that have been identified, I am advised that there is no reason to doubt that either vaccine would be adequate to combat them.

* * *

[*Translation*]

CRIMINAL CODE

REQUEST THAT BILL C-84 BE REFERRED TO COMMITTEE OF THE WHOLE

Mr. Eudore Allard (Rimouski): Mr. Speaker, my question is directed to the Solicitor General.

In view of the importance of Bill C-84 and the interest it arouses throughout Canada, would the minister indicate whether he would agree to the bill being referred to the Committee of the Whole instead of the Standing Committee on Justice and Legal Affairs?

[*English*]

Hon. Warren Allmand (Solicitor General): Mr. Speaker, that would be something which should be discussed with the government House leader and the other House leaders. I guess they would have to take that suggestion under consideration.

* * *

AIRPORTS

PICKERING—POSSIBILITY OF CONTINUING EXPENDITURES—SUGGESTION TRAFFIC NOT BE DIVERTED TO MIRABEL—CONSULTATIONS WITH ONTARIO

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Transport. With $137 million already spent or committed to be spent on the proposed Pickering Airport, an amount equal to 43 per cent of the amount spent on Mirabel, which may be a white elephant, large in size and small in usage, will the minister indicate if this type of spending on Pickering is to continue with respect to an airport which, if completed, will not be needed and, indeed, may sit isolated without roads or services?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I completely disagree with the hon. member's reference

to Mirabel which will turn out to be a superb airport available to serve the Canadian people very well indeed. There is a rather greater problem in the area of Toronto because of the decision because on the part of the provincial government to stop completing the Pickering Airport after they had participated in the decision on the location of the airport.

Some hon. Members: Hear, hear!

Mr. Lang: At that time, we had spent most of the money to which the hon. member refers in acquiring the land which was needed for the airport. We had not forecast the strange, quick change of position, on the part of the Ontario government and, therefore, did not build that into our planning. The current costs are essentially for maintenance of the land and for finalizing the purchasing of the land. We intend to maintain that land, certainly for the present time, because all of our figures still indicate the need for additional air services in the Toronto region which cannot be supplied at the present Malton site and, therefore, create real difficulties for the whole Toronto region.

Mr. Stevens: As the minister's own parliamentary secretary told this House only ten days ago that there had been little or no growth in Toronto air traffic during 1975, and in view of the minister's inference today that somehow we are heading into capacity problems in Toronto, will the minister assure the House that he is not going to use that trumped-up excuse that there is a limited capacity in Toronto to divert airline traffic through Mirabel to salvage the white elephant they are now living with in Mirabel.

Some hon. Members: Hear, hear!

Mr. Lang: Mr. Speaker, I am glad the hon. member has put on the record his confidence that there will be no traffic problem in the Toronto region in days ahead. There will come a day when he will be haunted by that remark. The fact is that while the actual growth in 1975 which had been anticipated on the basis of past and other experience did not take place in quite the same way due to a lot of conditions in the economy, the volume of traffic in Toronto at that particular point in time at the end of the year was still higher than had been forecast some years before for a particular point in time for that particular year. There is in fact a real capacity problem facing us in the Toronto area in the near future. I will have to seek many methods of attempting to alleviate that problem in order to minimize the inconvenience that will be caused by people wanting to travel to and from Toronto. That may well include a changing of flights to other airports wherever possible in order to minimize traffic in Toronto. I will have no alternative because of what the province of Ontario has done.

Some hon. Members: Hear, hear!

Mr. Stevens: In view of the minister's last answer, I would like him to confirm, yes or no: May we anticipate that they will do nothing to activate the Pickering Airport site in the line of completing that proposed airport until at least sometime after 1980? In reference to the Ontario government, can the minister tell us what discussions he has been having with the Ontario government, if he feels so frustrated concerning their attitude?

Mr. Lang: Mr. Speaker, we have been having discussions with the Ontario government about this problem. At this point in time, the Pickering site is being retained as a real option. There is a difficulty in that, notwithstanding even an early decision to go ahead with construction, there might well be a lag between commencement and completion which would result in traffic problems in the Toronto area. This is the view we have, based on figures which so far as I know have not been contradicted. That is really the fundamental point; these figures stand; they are figures we have produced and no one has argued significantly against them with regard to traffic. We are, therefore, exploring the various techniques but we are not prepared to make a decision to go ahead with an airport at this time when the provincial government is unwilling to build the roads and other infrastructure which would ordinarily be associated with it. Whether we will ever change that position, I would not want to forecast.

* * *

● (1200)

NATIONAL SECURITY

REQUEST CLARIFICATION OF STATEMENT IN GENERAL DARE'S LETTER CONCERNING SCREENING OF SEPARATIST SYMPATHIZERS

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, my question is for the Prime Minister. On Wednesday the right hon. gentleman denied the suggestion in General Dare's letter of February regarding specific application of guidelines regarding the Parti Québécois when he said:

> This applies, I repeat, to members of the Liberal party, Progressive Conservative party, Parti Québécois, Social Credit party and to those who do not militate in any political activity.

Could the Prime Minister then explain the statement in General Dare's letter which reads:

> Consequently, the security service cannot be expected to provide security screening information to deputy ministers and heads of agencies in accordance with ICSI guidelines relative to "separatist sympathies, associations and activities..."

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if the hon. member reads on he will see in the next paragraph that the General is apparently uncertain of the consequences that he must draw, because he is asking for this subject to be discussed in the security panel.

Mr. Lawrence: How about tabling the letter?

Mr. Paproski: It is an inter-office memo from the PMO's office!

Mr. Trudeau: It seems that the *Sun* forgot that particular part of the letter.

Mr. Sharp: Selective journalism.

Mr. Trudeau: Mr. Speaker, I cannot find this particular paragraph. The fact is, and I believe it was well explained by the Solicitor General yesterday, that General Dare was a little uncertain of the consequences he could draw from

the cabinet decision. He was stating it and then asking that it be referred for discussion to the officials. As I said to the House a couple of days ago, I think it was an honest error on his part and would have been cleared up by the committee had the letter proceeded in the normal way rather than being leaked to the press. I am obviously still distressed about that aspect of it—that a letter between the highest security officer and the second highest one would be leaked in that way. I think it is of concern to every member of the House, too, that a leak which is obviously destined to destroy my reputation and credibility should have been deliberately put into the hands of the press and treated that way by the press. I am thinking of the editorial in the *Sun* this morning or yesterday morning which is obviously scurrilous, inaccurate and venomous.

REQUEST FOR TABLING OF GUIDELINES ON SECURITY SCREENING—AUTHORIZATION OF ALLEGED RAID ON OFFICE OF TORONTO "SUN"

Mr. Ray Hnatyshyn (Saskatoon-Biggar): A supplementary, Mr. Speaker. Would the Prime Minister consider tabling for the House and the country the guidelines in respect of the activities of the RCMP in this area? Also, would he give this House an assurance, since he seems to be rather concerned about the activities of the *Sun*, that no member of cabinet authorized the raid by the RCMP on the office of the Toronto *Sun* which just took place this morning.

Some hon. Members: Oh, oh!

Right Hon. P. E. Trudeau (Prime Minister): I cannot believe my ears, Mr. Speaker. If it is true—

* * *

AIRPORTS

DATE OF ANNOUNCEMENT OF GRANTS TO BUILD AND UPDATE FACILITIES IN SMALL COMMUNITIES

Mr. Hugh A. Anderson (Comox-Alberni): Mr. Speaker, my question is for the Minister of Transport. Members were advised by his department that in March announcements would be made regarding grants to build airports and to update those already in existence in small communities. Can the minister advise the House when this announcement will be made, as many communities are being seriously inconvenienced by the delay and uncertainty of funding?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I have no immediate date to announce but I will take the hon. member's representation seriously and look into the situation.

[Mr. Trudeau.]

COMMUNICATIONS

POSSIBILITY GOVERNMENT TELEPHONE COMPANIES WILL BE PROHIBITED FROM OWNING CABLEVISION STATIONS—SUGGESTED PUBLIC HEARINGS

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is for the Minister of Communications. In view of the exchange we had yesterday, it is clear that the minister did have conversations with several ministers of communications, particularly those of Manitoba and Saskatchewan, on the subject of government telephone ownership of cable television, notwithstanding the matter was before the CRTC and parliament. I wonder if the minister could assure the House that before anything definitive on such a major change in government policy as the ownership of cable TV plant takes place, the matter could be either given to the CRTC for an open hearing of all interested parties or at least be referred to a committee of the House, so that other parties could put their views forward?

[*Translation*]

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, I am a little confused by the question of the hon. member. If he means the ownership of cablevision infrastructure, I can only repeat that there has been no such change in the policy. The CRTC still requires specific conditions before granting a licence, including that cablevision companies must own the largest part of the infrastructure although it has never made it a matter of general policy.

I repeat, I discussed this matter of cablevision infrastructure ownership with the ministers of Saskatchewan and Manitoba and with other persons. Did I discuss it with regard to applications now before the CRTC concerning licence granting? No. I discussed it only in general terms because it is a problem of interest to provincial ministers of communications. I do not intend to intervene whatsoever in the process of regulations of the CRTC.

[*English*]

Mr. Nowlan: Mr. Speaker, I appreciate the minister's rather lengthy answer. Because of the importance of the ownership of cable TV plant, however, and the fact that the discussions were with the ministers of Saskatchewan and Manitoba about government telephone ownership of cable TV plants, and that there are other areas of telephone ownership of cable TV plants, could that larger question be directed to the CRTC for a public hearing of all interested parties, some of whom obviously were not involved in the discussions with the minister? If that is not possible could the minister discuss with the House leader if an appropriate committee could have a discussion and hearing on this very important issue?

Mrs. Sauvé: Mr. Speaker, the suggestion is an interesting one. I suppose there is a point at which this whole question of ownership could be referred to a public audience held by the CRTC. That is one way of dealing with the matter. Another way, of course, is to formulate a general policy regarding ownership of television plants to be discussed by myself and the provincial ministers. At a later stage when Phase II of the legislation goes through the House, when I table it, perhaps it will be a little more clear how I can impart to the CRTC matters of general policy.

BANK OF CANADA

CONSTRUCTION OF TEMPORARY BULLETPROOF CASH WICKETS IN NEW BUILDING IN OTTAWA

Mr. R. E. McKinley (Huron-Middlesex): Mr. Speaker, a question for the Minister of Public Works. Could the minister tell the House if it is true that about half a million dollars is in process of being spent on some bulletproof cash wickets in the new Bank of Canada building on Sparks Street? Is it also a fact that these temporary cash wickets are to be torn down and replaced with permanent wickets in a year's time? If this is the case, does the minister not think some other arrangement could be made so that this duplication would not be necessary?

Hon. C. M. Drury (Minister of Public Works): Mr. Speaker, as I think the House is aware, the Bank of Canada is a semi-autonomous agency and does not come under the administrative jurisdiction of the Department of Public Works. In this instance, this particular bank has not sought our advice.

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FRESHWATER FISH MARKETING CORPORATION

THREAT OF WITHDRAWAL BY MANITOBA—DISCLOSURE OF OVERHEAD AND COST OF PROCESSING

Mr. Dean Whiteway (Selkirk): Mr. Speaker, my question is for the Minister of State for Fisheries but in his absence, I will direct it to his parliamentary secretary. It has to do with remarks made by the provincial minister of fisheries in Manitoba relating to the Freshwater Fish Marketing Corporation and his threat to withdraw from the corporation. The reasons he gave were inadequate disclosure by the corporation, high processing costs and low return to the fishermen. In view of these remarks by the provincial minister, would the parliamentary secretary indicate whether or not the corporation now intends to make a full disclosure with reference to their overhead and the real cost of the processing of inland fish?

● (1210)

Mr. George Baker (Parliamentary Secretary to Minister of Fisheries): Mr. Speaker, I have not read the remarks quoted by the hon. member but the Minister of State (Fisheries) had to leave a few moments ago to catch an aircraft flight. I will make sure that the hon. gentleman get his answer at the beginning of the week.

REQUEST OF GROUPS TO BE ALLOWED TO SELL OUTSIDE THE CORPORATION—REQUEST FOR CONSIDERATION OF FEE FOR SERVICE CONCEPT

Mr. Dean Whiteway (Selkirk): Mr. Speaker, I have a supplementary question for the parliamentary secretary. In view of the fact that it is the fishermen's money that has been used for capital investment in this processing plant, would the minister also take into consideration the request by several groups and associations of fishermen—and I emphasize several—that they have the privilege of being a designated area so they can sell their fish outside of the corporation; and would he also give serious consideration to the concept of a fee for services which has been proposed by several groups of fishermen in Manitoba?

Mr. George Baker (Parliamentary Secretary to Minister of Fisheries): Mr. Speaker, I am sure that the minister will take that under consideration, as the hon. gentleman suggests.

* * *

CANADIAN BROADCASTING CORPORATION

REQUEST FOR EDUCATIONAL PROGRAMMING FOR INUIT

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, I have a brief question for the Secretary of State which relates to the recent brief presented to the Canadian Radio-Television Commission by the Inuit Tapirisat Association. In view of the fact that there are only 30 minutes out of 112 hours of TV broadcasting directly related to the Inuit community, can the minister indicate whether the CBC will give serious consideration to the Inuit Tapirisat recommendations which include more educational programs in prime time, rather than the consumer oriented and frequently violent program that is radically different from their lifestyle?

Hon. James Hugh Faulkner (Secretary of State): Yes, Mr. Speaker, I can give the hon. member that assurance.

* * *

REGIONAL ECONOMIC EXPANSION

EFFECT OF PROPOSED NATIONAL PARK IN SOUTHERN SASKATCHEWAN ON IRRIGATION PROJECTS—GOVERNMENT POSITION

Mr. Frank Hamilton (Swift Current-Maple Creek): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. Is the minister aware that the proposed national park in southern Saskatchewan could adversely affect irrigation projects in that area, which projects fall under his department? If he is so aware, does he see a solution to the water storage problem?

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, I am not familiar with the matter raised by the hon. member. I believe the officials of PFRA are, and I will get in touch with them to find out whether there is anything that I can do.

* * *

AIRPORTS

MIRABEL—REGULATIONS GOVERNING CHANGES IN CONTRACTS WITHOUT CALLING TENDERS

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, on Friday last the hon. member for Central Nova asked whether CAIM, the consortium of consultants retained for Mirabel, has discretionary powers with regard to authorizing changes in tenders or procedures which would permit those who have submitted successful bids to

receive change orders or additional payments without public tender.

The answer is that the CAIM group of consultants has no such discretionary authority. Under the terms of the contract with the Department of Transport CAIM is to assist in the preparation of tender packages and to assist in the assessment of subsequent tenders, but I wish to make clear that it is the Department of Transport that has the responsibility for calling the tenders, reviewing the tenders received, and awarding the subsequent contracts. CAIM may, of course, recommend change orders to the general manager of the Mirabel project but that is as far as their role goes.

There is another question to answer, Mr. Speaker, if I may have the indulgence of the House.

Some hon. Members: Order.

Mr. Chrétien: The opposition do not want to know the truth, Mr. Speaker.

Mr. Speaker: Order, please. Again this raises the very difficult problem we face. On occasion it is necessary for ministers to indicate that they will secure information and give an answer at a later date. There was a moment or two before 12.15 when this question period was due to expire, and I gave that time to the minister in order for him to answer the question.

This raises two difficulties. First, the answer is longer than would be permitted in the question period; secondly, the hon. member who put the question is not in the House, and there is no time for supplementaries. There does not appear to be any sensible solution to this problem.

An hon. Member: It should be done on motions.

Mr. Speaker: If every time the answer to a question is deferred there is going to be a statement on motions, we would have one every day. There is no simple answer to this, but obviously at this moment I cannot let the minister continue.

Mr. Chrétien: On a point of order, Mr. Speaker, I must tell you that half of what I read was repetition of the question. The question was so long that I had to give an indication of what I want to reply to. But if they do not want to hear the truth, they should stop making smears in the House.

Mr. Hnatyshyn: Mr. Speaker, the minister indicates his bona fides by making a smear now on our colleague, the hon. member for Central Nova, when he is not in the House. This only underlines the difficulty that you face, Mr. Speaker. With all deference, I suggest that the proper thing for the minister to do is not only to wait until the hon. member for Central Nova is present in the House, and have the courage to face the member who posed the question to him—

Mr. Paproski: They are afraid.

Mr. Hnatyshyn: ... but it is also incumbent upon the minister to take the opportunity on motions.

[Mr. Chrétien.]

Mr. Speaker: Order, please. Once again it is evident that there is no satisfactory solution to this recurring problem; that has been amply demonstrated.

ROUTINE PROCEEDINGS

[*English*]

PRIVILEGE

MR. BAKER (GRENVILLE-CARLETON)—REFERENCE TO REMARKS OF MR. AUGUSTE CHOQUETTE

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, during the interval that has just been broken by this "friendly" exchange there have been discussions among representatives of the parties respecting the form the motion should take. I think I should say at the outset that all of us are extremely grateful for the assistance of the parliamentary counsel and the officers at the table with respect to this matter.

We considered the possibility of expanding the motion in a detailed way, but it was decided that perhaps that ought not to be done, that the Standing Committee on Privileges and Elections had sufficient powers and that if they required any additional powers in order satisfactorily to deal with the matter, they could return to the House. I am satisfied the temper and mood of the House in respect of this matter is such that those powers would be given willingly.

If Your Honour finds this motion acceptable, the chairman of the Standing Committee on Privileges and Elections, the hon. member for Lachine-Lakeshore (Mr. Blaker), has in a preliminary way moved with the greatest speed and I am sure all hon. members are grateful to him for the speed and interest he has shown in this matter.

The upshot of our discussions is that I would suggest to Your Honour a motion which, if it could be, would be seconded by the hon. member for Winnipeg North Centre (Mr. Knowles) and the hon. member for Roberval (Mr. Gauthier) but which, for our purposes, will in fact be seconded by the hon. member for Nipissing (Mr. Blais). I would move:

That the alleged accusation by Mr. Auguste Choquette that a substantial number of the members of the House of Commons have been in receipt of bribes be referred to the Standing Committee on Privileges and Elections.

I hope you will find that motion acceptable, sir.

Mr. Speaker: Order, please. Again I stress that the principal question that the Chair has to decide is whether or not the proceedings of the House ought to be interrupted in order to put such a motion. I have no hesitation in making a decision in the affirmative. It is, therefore, moved by the hon. member for Grenville-Carleton (Mr. Baker), seconded by the hon. member for Nipissing (Mr. Blais):

That the alleged accusation by Mr. Auguste Choquette that a substantial number of the members of the House of Commons have been in receipt of bribes be referred to the Standing Committee on Privileges and Elections.

Is it the pleasure of the House to adopt the said motion?

Motion agreed to.

* * *

● (1220)

PETITIONS

ACCEPTANCE OF PETITION PRESENTED BY MR. McGRATH

Mr. Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the table the twenty-ninth report of the Clerk of Petitions stating that he has examined the petition presented by the hon. member for St. John's East (Mr. McGrath) and finds it meets the requirements of the Standing Orders as to form.

ACCEPTANCE OF PETITION PRESENTED BY MR. MARSHALL

Mr. Speaker: I have the honour to inform the House that the Clerk of the House has laid upon the table the thirtieth report of the Clerk of Petitions stating that he has examined the petition presented by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) and finds that it meets the requirements of the Standing Orders as to form.

* * *

MISCELLANEOUS PRIVATE BILLS AND STANDING ORDERS

MOTION TO AUTHORIZE COMMITTEE TO CONSIDER FEES PAID BY BRITISH COLUMBIA TELEPHONE COMPANY RESPECTING BILL S-11

Mr. Hugh A. Anderson (Comox-Alberni): Mr. Speaker, pursuant to Standing Order 99, I should like to move, seconded by the hon. member for Grenville-Carleton (Mr. Baker):

That the Standing Committee on Miscellaneous Private Bills and Standing Orders be authorized to consider and make recommendations upon the fees paid by the British Columbia Telephone Company in relation to Bill S-11.

Mr. Speaker: Order, please. The House has heard the terms of the motion being presented pursuant to Standing Order 99. Is it the pleasure of the House to adopt the said motion?

Motion agreed to.

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[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are marked by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 3069, 3267, 3470, 3769, 3950, 4116, 4171, 4173 to 4176 inclusive, 4,180 to 4,186 inclusive, 4,188 4,189, 4,191, 4,309 to 4,332 inclusive, 4,505, 4,516, 4,611, 4,771, 4,772, 4,778, 4,841 to 4,854 inclusive, 4,958, 4,970, 4,984, 4,990, 5,015, 5,017, 5,025, 5,040, 5,044, 5,114, 5,144, 5,153, 5,164, 5,182, 5,202, 5,223, 5,236, 5,243, 5,294, 5,338, 5,353 and 5,354.

Order Paper Questions

[*Text*]

PRIME MINISTER'S TRIP—APRIL 25, 1974

Question No. 3,069—**Mr. Cossitt:**

1. With reference to the answer to Question No. 32 on the subject of the Prime Minister's visit to certain places in Ontario commencing April 25, 1974, what are the names and job designations of all persons on any of the flights listed with the exception of the Prime Minister or members of the press?

2. What was the total cost to the taxpayer of this entire trip and did the trip specifically include a visit to the annual meeting of the Ontario Liberal Party in Sudbury, Ontario?

Right Hon. P. E. Trudeau (Prime Minister): In so far as the Prime Minister's and Privy Council Offices are concerned: 1. April 25, 1974—Ottawa to Hamilton, MOT Viscount: The Prime Minister; Hon. John Munro; Bob Murdoch, PMO; Colin Kenny, PMO; Peter McGuire, PMO; Al Donnelly, PMO; Dal Warrington, Press; Fred Chartrand, Press; B. Stewart, Press; Don Dixon, Press; Rudi Wolf, Press; D. Beauchamp, Press; Mike Lavoie, Press; Jim Ferrabee, Press; Claude Hénault, Press; Jack Derouin, Press; Geoff Stevens, Press; Jean-Marc Poliquin, Press; François Rouleau, Press. April 25, 1974— Hamilton to Toronto, DND Helicopter: A. The Prime Minister; Insp. Russ Harding, RCMP; Colin Kenny, PMO; Bob Murdoch, PMO; Dal Warrington, Press. B. Al Donnelly, PMO; Cpl. Jack Prout, OPP; Dave Isaac, Press; Hal Jones, Press; Jack Derouin, Press; Jean-Marc Poliquin, Press; François Rouleau, Press; Claude Hénault, Press; Fred Chartrand, Press. C. Peter McGuire, PMO; Sgt. T. Lafontaine, RCMP; B. Stewart, Press; Don Dixon, Press; Rudi Wolf, Press; D. Beauchamp, Press; Mike Lavoie, Press; Geoff Stevens, Press; Jim Ferrabee, Press. April 26, 1974—Toronto to Woodstock, DND Helicopter: A. The Prime Minister; Hon. Gene Whelan; Insp. Russ Harding, RCMP; Colin Kenny, PMO; Dal Warrington, Press. B. Al Donnelly, PMO; Cpl. Jack Prout, OPP; Dave Isaac, Press; Hal Jones, Press; Jack Derouin, Press; Jean-Marc Poliquin, Press; François Rouleau, Press; Claude Hénault, Press; Fred Chartand, Press; Bob Murdoch, PMO. C. Peter McGuire, PMO; Sgt. T. Lafontaine, RCMP; B. Stewart, Press; Don Dixon, Press; Rudi Wold, Press; D. Beauchamp, Press; Mike Lavoie, Press; Geoff Stevens, Press; Jim Ferrabee, Press. April 26, 1974—Woodstock to Sarnia, DND Helicopter: A. The Prime Minister; Insp. Russ Harding, RCMP; Colin Kenny, PMO; Bob Murdoch, PMO; Dal Warrington, Press. B. Al Donnelly, PMO; Cpl. Jack Prout, OPP; Dave Isaac, Press; Hal Jones, Press; Jack Derouin, Press; Jean-Marc Poliquin, Press; François Rouleau, Press; Claude Hénault, Press; Fred Chartand, Press. C. Peter McGuire, PMO; Sgt. T. Lafontaine, RCMP; B. Stewart, Press; Don Dixon, Press; Rudi Wolf, Press; D. Beauchamp, Press; Mike Lavoie, Press; Geoff Stevens, Press; Jim Ferrabee, Press. April 26, 1974—Sarnia to Sudbury, MOT Viscount: The Prime Minister; Bob Murdoch, PMO; Colin Kenny, PMO; Peter McGuire, PMO; Al Donnelly, PMO; Fred Chartrand, Press; B. Stewart, Press; Don Dixon, Press; Rudi Wolf, Press; D. Beauchamp, Press; Hal Jones, Press; Mike Lavoie, Press; Jim Ferrabee, Press; Claude Hénault, Press; Geoff Stevens, Press; Jean-Marc Poliquin, Press; François Rouleau, Press. April 26, 1974—Sudbury to Ottawa, MOT Viscount: The Prime Minister;

Order Paper Questions

Hon. Marc Lalonde; Sen. Gil Molgat; Bob Murdoch, PMO; Colin Kenny, PMO: Peter McGuire, PMO; Al Donnelly, PMO; Fred Chartrand, Press; B. Stewart, Press; Don Dixon, Press; Rudi Wolf, Press; D. Beauchamp, Press; Mike Lavoie, Press; Jim Ferrabee, Press; Claude Hénault, Press; François Rouleau, Press; Geoff Stevens, Press; Jean-Marc Poliquin, Press; Jim Moore, PMO.

2. In addition to expenses indicated in reply to question 32, travelling expenses of PMO staff totalled $756.64. The trip included activities in Sudbury.

PRIME MINISTER'S TRIP ACROSS CANADA

Question No. 3,267—**Mr. Cossitt:**

What aircraft is the Prime Minister using for his current trip across Canada for the purpose of explaining the government's controls programme to the Canadian public (a) what is the total cost of keeping such aircraft in the air per hour (b) what is the total cost for waiting time of such aircraft on the ground (c) what are the names and job designations of all persons on board the aircraft at any time during this trip (d) what are the names and annual salaries of all crew members (e) what is the cost of the entire trip to the Canadian taxpayer including transportation, accommodation of the Prime Minister and anyone accompanying him, and the accommodation of crew members (f) what is the exact flight itinerary of this trip showing the places visited and arrival and departure times?

Right Hon. P. E. Trudeau (Prime Minister): In so far as the Prime Minister's and Privy Council Offices are concerned: (a) and (b) $970 (see reply to question 4,110 answered March 12, 1976). (c) and (f) See Statement following. (d) See reply to question 69 answered February 3, 1976. (e) $1,060.47 (see also (a), (b) and (d)).

Sections (c) and (f)

Date	Depart	Time	Arrive	Time	Passengers	
October 21/75	Ottawa	09:15	Winnipeg	12:10	Prime Minister	
	Winnipeg	17:25	Regina	18:35	R. Murdoch	—PMO
October 22/75	Regina	16:25	Ottawa	19:00	R. Robert	—PMO
					R. Coleman	—PMO
					The Hon. J. Richardson	—Min
					J. Moore	—PMO
					R. Goodale, M.P.	—M.P.
					A. Donnelly	—PMO
October 24/75	Ottawa	09:40	Toronto	10:35	Prime Minister	
	Toronto	21:55	Ottawa	22:40	Mrs. Trudeau	
					Michel Trudeau	
					C. Kenny	—PMO
					P. McGuire	—PMO
					I. Macdonald	—PMO
					Babysitter	

HOTEL ACCOMMODATION

Question No. 3,470—**Mr. Cossitt:**

Has the (a) Chateau Laurier (b) Carleton Towers (c) Holiday Inn (d) Skyline (e) Talisman (f) Park Lane (g) Quai D'Orsay received business from the government since June 1, 1970 and, if so, in each case (i) how much (ii) for what purpose (iii) from which departments?

Hon. Mitchell Sharp (President of the Privy Council): The information requested is not readily available. To provide an accurate reply in its entirety, would entail a lengthy and costly examination of the accounts of every department and agency including their regional offices. The costs in manpower and time to undertake such a large amount of work would be prohibitive.

USE OF AIRCRAFT BY PRIME MINISTER TO VISIT CERTAIN ONTARIO POINTS

Question No. 3,769—**Mr. Cossitt:**

What means of transportation will be involved in the scheduled visit to certain Ontario points by the Prime Minister commencing Friday, December 12, 1975 (a) how many and what government aircraft are involved (b) what is the cost per hour of keeping such aircraft in the air (c) how many hours of flying time are involved (d) what is the cost per hour of keeping such aircraft on the ground (e) how many hours of waiting time are involved (f) what is a complete list of all flights to be made by such aircraft on the trip including take-off and arrival times and places to be visited (g) what is a complete list of all persons that will be involved on the aircraft at any time during the flights?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): (a) Transport Canada Lockheed Jetstar CF-ETN. (b) and (d) The cost of keeping the aircraft in the air and on the ground is $970 per flying hour. (c) An estimated two hours and 15 minutes. (e) An estimated 10 hours and 30 minutes. (f) and (g) Proposed Itinerary and passengers—see attached list. (All times Eastern Standard).

NOTE: These answers are based on information available as of December 11, 1975.

Order Paper Questions

Date	Depart	Time	Arrive	Time	Passengers
December 12	Ottawa	0900	Hamilton	1000	Right Hon. P. E. Trudeau Mrs. P. E. Trudeau Mr. B. Murdock Mr. C. Kenny Mr. R. Coleman Mr. P. McGuire Hon. J. Munro Mr. G. MacFarlane
	Hamilton	1015	Toronto	1040	Mrs. P. E. Trudeau
	Toronto	2100	Ottawa	2150	Right Hon. P. E. Trudeau Mrs. P. E. Trudeau Mr. B. Murdock Mr. C. Kenny Mr. R. Coleman Mr. P. McGuire

GREAT LAKES WATER QUALITY AGREEMENT

Question No. 3,950—**Mr. Jelinek:**

1. What has been the total cost to the government respecting the Great Lakes Water Quality Agreement by the International Joint Commission?

2. What was the total cost in (a) 1972 (b) 1973 (c) 1974 (d) 1975?

3. Is there an estimated time for completion of the project and, if so, on what date?

4. Is there an estimated total cost for the project and, if so, what is the amount?

5. Has the United States done their fair share in the clean-up of the Great Lakes?

6. What has been the total expenditure by the United States for the clean-up of the Great Lakes and, what was the total expenditure for (a) 1972 (b) 1973 (c) 1974 (d) 1975?

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): 1. Total costs to the Government of Canada for programs related to the Great Lakes Water Quality Agreement of 1972, estimated to the end of 1975-76, were $280,138,000. This figure includes estimated government expenditures of $2,612,419 incurred through the International Joint Commission during the same period.

2. (a) 1971-72: $31,331,000, (b) 1972-73: $38,928,000, (c) 1973-74: $84,289,000, (d) 1974-75: $66,835,000, (e) 1975-76: $58,755,000.

3. The Great Lakes Water Quality Agreement was signed on April 15, 1972. The agreement specifies that it is to remain in force for a period of five years and thereafter until terminated upon twelve months notice being given in writing by either party. It further specifies that programs directed to the achievement of its water quality objectives be either completed or in the process of implementation by December 31, 1975. That date is not however a termination date but rather specifies a target date for certain activities. The process of cleaning up the Great Lakes is inevitably a long one, and the IJC, in its Third Annual Report on Great Lakes Water Quality, speaks of a decade or more before the goals of the Agreement can be fully realized.

4. No. Given the nature of the challenge and the indefinite time frame, it is impossible to estimate the total costs involved to all the governments concerned. Future costs will depend on the degree wo which the parties respond to ongoing recommendations of the International Joint Commission in respect of activities necessary to achieve the objectives of the agreement.

5. The government is satisfied that the United States is making a sincere effort to live up to its commitments. Despite some delay in early implementation of United States programs, action has now been taken by the United States authorities to accelerate activities required to meet the objectives of the agreement.

6. According to information provided by United States authorities, the total expenditure to 1975 is $2,353,000,000. This figure represents only costs to the United States government. By years: (a) $225,000,000; (b) $419,000,000; (c) $509,000,000; (d) $900,000,000.

CHARTERED BANKS ASSETS—GRADUAL INCREASES

Question No. 4,116—**Mr. Lambert (Bellechasse):**

1. With reference to the answer to Question No. 3,888, what has been the gradual annual increase of assets for each of the chartered banks from 1967 to 1974?

2. What has been the main factor causing an increase of assets (a) for each bank (b) during each year?

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): 1. The following table shows the over-all annual increase in assets of each chartered bank in each year from 1967 to 1975.

2. The table also includes for each bank in each year the increase, or decrease, in major categories of assets and the proportion of the increase in total assets attributable to each category.

Chartered Banks

Annual Increase of Assets

1967-1975

	Nova Montreal		Toronto-Scotia		Dominion		Provincial		Commerce		Royal		BCN		Mercantile		Columbia		British Unity		Total
	$MM	%	$MM	%	$MM	%	$MM	%	$MM	%	$MM	%	$MM	%	$MM	%	$MM	%	$MM		$MM
1968 Total	686	(11)	1,078	(26)	920	(27)	116	(18)	861	(12)	964	(12)	177	(14)	34–	(15)–	34				4,802	(15)
NHA Mortgages	26	(15)	16	(14)	17	(18)	4	(133)	13–	(8)–	2	(1)	13	(72)	–	–	–				65	(9)
Personal & Business Loans	236	(9)	240	(15)	324	(22)	54	(17)	302	(10)	275	(9)	68	(14)	24	(27)	5				1,529	(12)
For. Currency Assets	123	(13)	729	(54)	417	(59)	2	(17)	107	(8)	323	(17)	17	(142)	46–	(51)–	11				1,683	(27)
Canadian Securities	253	(23)	99	(18)	80	(13)	20	(13)	428	(25)	277	(20)	75	(23)	1–	(6)–	14				1,245	(21)
1969 Total	1,334	(20)	727	(14)	854	(20)	122	(16)	859	(10)	1,453	(17)	260	(18)	5	(3)	40	(118)			5,654	(16)
NHA Mortgages	31	(16)	28	(22)	25	(23)	8	(114)	12–	(8)–	66	(35)	18	(58)	–	(–)	–	(–)			164	(20)
Personal & Business Loans	469	(16)	161	(9)	375	(21)	68	(19)	532	(15)	496	(15)	113	(20)	38	(34)	17	(340)			2,269	(16)
For. Currency Assets	906	(84)	396	(19)	375	(34)	1–	(7)–	691	(49)	1,099	(49)	3	(10)	26–	(59)–	1–	(9)–			3,442	(43)
Canadian Securities	121–	(9)–	34	(5)	33	(5)	2–	(1)–	351–	(17)–	153–	(9)–	9	(2)	6–	(37)–	10	(71)			547	(8)–
1970 Total	577	(7)	426	(7)	196	(4)	207	(23)	1,849	(20)	1,173	(12)	236	(14)	1–	(1)–	47	(64)			4,710	(11)
NHA Mortgages	37	(16)	16	(10)	6–	(4)–	5	(33)	10–	(7)–	47	(18)	9	(18)	–	(–)	–	(–)			98	(10)
Personal & Business Loans	15	(–)	102	(5)	47	(2)	65	(15)	27–	(1)–	60	(2)	63	(9)	9	(6)	16	(73)			350	(2)
For. Currency Assets	264	(13)	198	(8)	113	(8)	18	(138)	1,019	(48)	601	(18)	43	(134)	6–	(33)–	8	(80			2,258	(20)
Canadian Securities	265	(21)	100	(15)	49	(7)	86	(49)	449	(25)	202	(13)	80	(19)	2	(20)	11	(46)			1,244	(19)
1971 Total	1,435	(16)	715	(11)	1,121	(21)	328	(30)	350	(3)	1,585	(14)	373	(20)	96	(50)	57	(47)			6,060	(13)
NHA Mortgages	84	(32)	53	(31)	56	(43)	15	(75)	147	(112)	128	(42)	24	(41)	–	(–)	–	(–)			507	(47)
Personal & Business Loans	446	(13)	373	(18)	293	(13)	84	(17)	701	(18)	770	(20)	79	(11)	51	(32)	43	(113)			2,840	(17)
For. Currency Assets	547	(24)	48	(2)	300	(19)	196	(632)	925–	(30)–	219	(6)	14–	(21)–	15	(125)	16	(89)			402	(3)
Canadian Securities	295	(19)	142	(18)	217	(27)	24	(9)	537	(24)	300	(17)	192	(39)	4	(33)	8–	(23)–			1,703	(22)
1972 Total	1,158	(11)	1,457	(21)	999	(15)	413	(29)	1,901	(17)	1,813	(14)	406	(18)	101	(35)	66	(37)			8,314	(16)
NHA Mortgages	84	(24)	63	(28)	49	(27)	28	(80)	296	(107)	128	(30)	67	(82)	–	(–)	4				719	(45)
Personal & Business Loans	889	(23)	570	(23)	648	(26)	122	(21)	1,097	(23)	1,101	(24)	257	(31)	84	(40)	41	(51)			4,809	(24)
For. Currency Assets	144–	(5)–	547	(20)	268	(14)	155	(68)	387	(18)	273	(7)	36	(59)	14–	(52)–	20	(59)			1,528	(11)
Canadian Securities	77	(4)	44	(5)	31	(3)	74	(26)	311–	(11)–	113	(6)	67	(10)	11	(69)	5–	(19)–			101	(1)
1973 Total	3,086	(27)	1,786	(21)	1,875	(25)	261	(14)	2,800	(21)	3,596	(24)	616	(23)	197	(51)	74	(30)	99		14,390	(24)
NHA Mortgages	75	(17)	47	(16)	98	(42)	22	(35)	119	(21)	84	(15)	60	(40)	–		2	(50)	4		511	(22)
Personal & Business Loans	1,463	(30)	650	(22)	838	(27)	240	(34)	1,122	(19)	1,395	(24)	415	(38)	109	(37)	54	(44)	45		6,331	(26)
For. Currency Assets	1,302	(49)	928	(28)	619	(28)	35	(9)	1,174	(45)	1,855	(42)	106	(109)	21	(162)	16	(30)	13		6,069	(39)
Canadian Securities	5–	(–)	56–	(6)–	86	(8)	14–	(4)–	56–	(2)–	150–	(7)–	48–	(6)–	56	(207)	6–	(27)–	25		168–	(2)–
1974 Total	3,242	(22)	3,135	(30)	2,434	(26)	467	(22)	2,845	(18)	3,306	(18)	823	(25)	112	(19)	164	(52)	43	(43)	16,571	(22)
NHA Mortgages	26	(5)	28	(8)	28	(8)	32	(38)	118	(17)	76	(12)	70	(34)	6		4	(67)	–	(–)	388	(14)
Personal & Business Loans	1,407	(22)	895	(24)	749	(19)	242	(26)	1,711	(25)	1,456	(20)	371	(25)	48	(12)	82	(47)	40	(89)	7,001	(23)
For. Currency Assets	955	(24)	1,546	(37)	1,345	(48)	146	(35)	287	(8)	298	(5)	179	(88)	1	(3)	29	(41)	8–	(62)–	4,778	(22)
Canadian Securities	230	(12)	351	(38)	139	(12)	29	(8)	139	(6)	527	(26)	39	(6)	41	(49)	14	(88)	1–	(4)–	1,508	(16)
1975 Total	592	(3)	2,543	(19)	1,720	(15)	502	(20)	3,313	(17)	3,541	(16)	746	(18)	569	(84)	143	(30)	30	(21)	13,719	(15)
NHA Mortgages	74	(14)	98	(27)	45	(13)	47	(40)	290	(36)	119	(17)	82	(29)	4	(67)	15	(150)	–	(–)	774	(24)
Personal & Business Loans	827	(11)	794	(17)	821	(17)	191	(16)	1,433	(17)	1,823	(21)	247	(13)	463	(103)	93	(36)	25	(29)	6,717	(18)
For. Currency Assets	630–	(13)–	1,211	(21)	355	(9)	149	(26)	1,499	(37)	1,402	(21)	257	(67)	43	(123)	11	(11)	4	(80)	4,301	(16)
Canadian Securities	56	(3)	9	(1)	165	(88)	33–	(9)–	34–	(3)–	135–	(5)–	59	(8)	49	(40)	–	(–)	1	(4)	87	(1)

[Mr. Trudel.]

PSYCHIATRISTS AT LECLERC

Question No. 4,171—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at LeClerc and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil. However, inmates transferred to medium and minimum institutions from a Regional Reception Centre or a maximum institution are always medically screened. Should an inmate be in need of psychiatric treatment while in a medium or minimum setting, he would either be seen as an out-patient by a visiting psychiatrist or, if his condition were serious, be transferred to an institution that provides such treatment. Inmates who are receiving psychiatric treatment on a full-time basis are detained at one of the three Regional Psychiatric Centres operated by the Canadian Penitentiary Service or, in some instances, receive treatment in provincial hospitals.

PSYCHIATRISTS AT COWANSVILLE

Question No. 4,173—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Cowansville and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question No. 4,171.

PSYCHIATRISTS AT STE-ANNE DES PLAINES

Question No. 4,174—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Ste-Anne des Plaines and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question No. 4,171.

PSYCHIATRISTS AT ARCHAMBAULT

Question No. 4,175—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Archambault and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question No. 4,171.

PSYCHIATRISTS AT FRONTENAC INSTITUTION

Question No. 4,176—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Frontenac Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question No. 4,171.

PSYCHIATRISTS AT MONTÉE ST. FRANCIS

Question No. 4,180—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Montée St. Francis and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question No. 4,171.

PSYCHIATRISTS AT BEAVER CREEK CORRECTIONAL CAMP

Question No. 4,181—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Beaver Creek Correctional Camp and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question No. 4,171.

PSYCHIATRISTS AT PITTSBURGH INSTITUTION

Question No. 4,182—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Pittsburgh Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question No. 4,171.

PSYCHIATRISTS AT QUEBEC FEDERAL TRAINING CENTRE

Question No. 4,183—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Québec Federal Training Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question No. 4,171.

PSYCHIATRISTS AT COLLINS BAY INSTITUTION

Question No. 4,184—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Collins Bay Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question No. 4,171.

PSYCHIATRISTS AT WARKWORTH INSTITUTION

Question No. 4,185—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Warkworth Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question No. 4,171.

Order Paper Questions

PSYCHIATRISTS AT BATH INSTITUTION

Question No. 4,186—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Bath Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question 4,171.

PSYCHIATRISTS AT LANDRY CROSSING CORRECTIONAL CAMP

Question No. 4,188—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Landry Crossing Correctional Camp and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question 4,171.

PSYCHIATRISTS AT OSBORNE CENTRE

Question No. 4,189—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Osborne Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question 4,171.

PSYCHIATRISTS AT ONTARIO PRE-RELEASE HOSTEL

Question No. 4,191—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Ontario Pre-Release Hostel and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Please see reply to question 4,171.

SUICIDES AT QUEBEC REGIONAL PSYCHIATRIC CENTRE

Question No. 4,309—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Quebec Regional Psychiatric Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, Nil; 1971, Nil; 1972, Nil; 1973, 1; 1974, Nil; 1975, Nil; Total, 1.

SUICIDES AT ONTARIO REGIONAL PSYCHIATRIC CENTRE

Question No. 4,310—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Ontario Regional Psychiatric Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, Nil; 1971, Nil; 1972, Nil; 1973, 1; 1974, Nil; 1975, Nil; Total, 1.

[Mr. Poulin.]

SUICIDES AT PACIFIC REGIONAL PSYCHIATRIC CENTRE

Question No. 4,311—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Pacific Regional Psychiatric Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT MILLHAVEN INSTITUTION

Question No. 4,312—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Millhaven Institution?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, Nil; 1971, Nil; 1972, Nil; 1973, Nil; 1974, 1; 1975, Nil; Total, 1.

SUICIDES AT LECLERC INSTITUTION

Question No. 4,313—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at LeClerc?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, 1; 1971, Nil; 1972, Nil; 1973, Nil; 1974, 3; 1975, Nil; Total, 4.

SUICIDES AT SASKATCHEWAN PENITENTIARY

Question No. 4,314—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Saskatchewan Penitentiary?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, 3; 1971, Nil; 1972, 2; 1973, 4; 1974, Nil; 1975, Nil; Total, 9.

SUICIDES AT COWANSVILLE

Question No. 4,315—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Cowansville?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT STE. ANNE DES PLAINES

Question No. 4,316—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Ste. Anne des Plaines?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT ARCHAMBAULT

Question No. 4,317—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Archambault?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, Nil; 1971, Nil; 1973, 1; 1974, 1; 1975, 1; Total, 4.

SUICIDES AT FRONTENAC INSTITUTION

Question No. 4,318—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Frontenac Institution?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT ROCKWOOD INSTITUTION

Question No. 4,319—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Rockwood Institution?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT STONY MOUNTAIN INSTITUTION

Question No. 4,320—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Stony Mountain Institution?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, 1; 1971, 1; 1972, Nil; 1973, Nil; 1974, Nil; 1975, 1; Total, 3.

SUICIDES AT JOYCEVILLE INSTITUTION

Question No. 4,321—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Joyceville Institution?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT MONTÉE ST. FRANCIS

Question No. 4,322—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Montée St. Francis?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT BEAVER CREEK CORRECTIONAL CAMP

Question No. 4,323—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Beaver Creek Correctional Camp?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT PITTSBURGH INSTITUTION

Question No. 4,324—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Pittsburg Institution?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT QUEBEC FEDERAL TRAINING CENTRE

Question No. 4,325—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Quebec Federal Training Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970 Nil; 1971, 1; 1972, 1; 1973, 2; 1974, Nil; 1975, 2; Total, 6.

SUICIDES AT COLLINS BAY INSTITUTION

Question No. 4,326—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Collins Bay Institution?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT WARKWORTH INSTITUTION

Question No. 4,327—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Warkworth Institution?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT BATH INSTITUTION

Question No. 4,328—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Bath Institution?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT SASKATCHEWAN FARM ANNEX

Question No. 4,329—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Saskatchewan Farm Annex?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT LANDRY CROSSING CORRECTIONAL CAMP

Question No. 4,330—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Landry Crossing Correctional Camp?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

Order Paper Questions

SUICIDES AT OSBORNE CENTRE

Question No. 4,331—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Osborne Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT ONTARIO PRERELEASE HOSTEL

Question No. 4,332—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of suicides at Ontario Pre-release Hostel?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES AT DORCHESTER PENITENTIARY

Question No. 4,505—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of suicides at Dorchester Penitentiary?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, 2; 1971, Nil; 1972, Nil; 1973, Nil; 1974, Nil; 1975, 1; Total, 3.

SUICIDES AT ONTARIO REGIONAL RECEPTION CENTRE

Question No. 4,516—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of suicides at Ontario Regional Reception Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, Nil; 1971, Nil; 1972, Nil; 1973, Nil; 1974, Nil; 1975, 1; Total, 1.

SMALL BUSINESSES LOANS ACT—LOANS IN ONTARIO

Question No. 4,611—**Mr. Holmes:**

What are the (a) names (b) locations (c) head office addresses of the firms and/or individuals receiving loans in the Province of Ontario under the Small Businesses Loans Act for the period April 1 to September 30, 1975?

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): The names and addresses of individual businesses receiving loans under the Small Businesses Loans Act are confidential. Small businesses in Ontario received 380 loans for a total value of $5,657,867 in the period April 1 to September 30, 1975.

STUDENT SUMMER EMPLOYMENT

Question No. 4,771—**Mr. Herbert:**

By department, how much of the $60,500,000 in the 1975-76 estimates for student summer employment is included in the forecast expenditures in the 1976-77 estimates?

Hon. Jean Chrétien (President of Treasury Board): Forecast 1975-76 expenditures, by department, for the 1975 Student Summer Employment and Activities Program as provided in the 1976-77 main estimates are as follows:

Department Agency	1975-76 Forecast Expenditures ($'000)
Agriculture	100
Consumer and Corporate Affairs	60
Energy, Mines and Resources	100
Indian Affairs and Northern Development	1,276
Manpower and Immigration	40,452
National Capital Commission	182
National Defence	7,665
National Film Board	77
National Health and Welfare	1,046
National Revenue	86
Secretary of State	8,480
Solicitor General	36
	59,560

STUDENT SUMMER EMPLOYMENT

Question No. 4,772—**Mr. Herbert:**

During which months was the $386,000 in the Supplementary Estimates (B) 1975-76, for student summer employment expended and how many persons are engaged in the programme on either a permanent or temporary basis?

Hon. Jean Chrétien (President of Treasury Board): The funds were expended in February and March, 1976. A total of 232 persons were hired during this period on a temporary basis to work in the Student Canada Manpower Centres; an additional 850 students will be hired on a temporary basis for this activity during 1976-77.

ADVERTISEMENTS OF METRIC SYSTEM

Question No. 4,778—**Mr. McKinley:**

1. For the fiscal year 1975-76, what funds have been disbursed by the government for advertisements of the metric system in Canada?

2. For the fiscal year 1976-77, what funds have been allocated for advertising of the metric system in Canada?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): 1. (a) In so far as the Metric Commission is concerned there have been no paid advertisements of the metric system in Canada. (b) For the fiscal year 1975/76, planned disbursements for other information activities were $1,523,800. (See Metric Commission Second Report).

2. (a) As per 1(a). (b) For the fiscal year 1976/77, planned disbursements for other information activities are $2,737,500.

SUICIDES AT FERNDALE

Question No. 4,841—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Ferndale?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES—MATSQUI

Question No. 4,842—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Matsqui?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES—MOUNTAIN INSTITUTION

Question No. 4,843—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Mountain Institution?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, Nil; 1971, Nil; 1972, Nil; 1973, 1; 1974, Nil; 1975, Nil; Total, 1.

SUICIDES—AGASSIZ CORRECTIONAL CAMP

Question No. 4,844—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Agassiz Correctional Camp?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES—WILLIAMS HEAD

Question No. 4,845—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Williams Head?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, 1; 1971, Nil; 1972, Nil; 1973, Nil; 1974, Nil; 1975, Nil; Total, 1.

SUICIDES—BOWDEN

Question No. 4,846—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Bowden?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES—DRUMHELLER

Question No. 4,847—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Drumhelller?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, Nil; 1971, Nil; 1972, Nil; 1973, Nil; 1974, Nil; 1975, 1; Total, 1.

Order Paper Questions

SUICIDES—BRITISH COLUMBIA PENITENTIARY

Question No. 4,848—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at British Columbia Penitentiary?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): 1970, 2; 1971, Nil; 1972, Nil; 1973, Nil; 1974, 2; 1975, 1; Total 5.

SUICIDES—PANDORA CENTRE

Question No. 4,849—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Pandora Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES—GRIERSON CENTRE

Question No. 4,850—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Grierson Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES—OSKANA CENTRE

Question No. 4,851—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Oskana Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES—ALTADORE CENTRE

Question No. 4,852—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Altadore Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES—SCARBORO CENTRE

Question No. 4,853—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Scarboro Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

SUICIDES—BURRARD CENTRE

Question No. 4,854—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of suicides at Burrard Centre?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

Order Paper Questions

LOANS BY CHARTERED BANKS

Question No. 4,958—**Mr. Matte:**

From 1973 to date, what was the amount of loans granted each chartered bank in Canada?

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): I have been informed by the Bank of Canada as follows: The amount of loans granted by each chartered bank in Canada since 1973 is as follows:

	Increase in total loans[1] outstanding between December 31, 1973 and January 31, 1976 ($ millions) Total	In Canadian $
Commerce	4,226.2	3,135.3
Royal	5,409.0	3,710.2
Montreal	3,801.9	2,737.5
Toronto Dominion	2,473.7	1,746.7
Nova Scotia	3,639.2	1,767.3
Nationale	1,093.3	887.1
Provinciale	762.6	660.6
Mercantile	582.9	507.0
British Columbia	203.2	188.5
Unity	59.4	53.2
Total	22,251.4	15,393.4

[1] These loans include day, call and short loans, loans to provinces and municipalities, and other loans.

PORTFOLIOS HELD BY HON. C. M. DRURY

Question No. 4,970—**Mr. Orlikow:**

1. Since his appointment to the Cabinet, what portfolios has the Honourable C. M. Drury held and what was the date of each appointment?

2. What (a) are the names (b) were the dates of appointment (c) were the dates of departure of each (i) executive assistant (ii) special assistant (iii) senior member of his exempt staff since his original appointment to the Cabinet?

Hon. C. M. Drury (Minister of Public Works): 1. Sworn of the Privy Council on April 22, 1963; Appointed Minister: Minister of Defence Production, April 22, 1963 to July 5, 1968; Minister of Industry, July 25, 1963 to July 5, 1968; Minister of Trade and Commerce, April 20, 1968 to July 6, 1968; President of the Treasury Board, July 6, 1968 to August 8, 1974; Minister of Public Works, August 8, 1974 to present; Minister of State for Science and Technology, August 8, 1974 to present; Acting Minister of Finance, September 10, 1975 to September 25, 1975.

2. (i) Executive Assistants

(a) Name	(b) Dates of Appointment	(c) Dates of Departure
Wanklyn, F.	1963	1966
Porteous, T.	April, 1966	April, 1968
Abbott, T.	April 20, 1968	July 6, 1968
Piper, J. T.	May 6, 1968	August 5, 1968
Drummond, K.	August 27, 1968	May 1, 1970
Szablowsky, G.	June 1, 1970	November 14, 1970
Beaulac, A. G.	December 14, 1970	March 31, 1973
Lalonde, G. R.	August 9, 1974	present
(ii) Special Assistants		
de Lotbiniere Panet, A.	March, 1968	August, 1968
Dunn, P.	August 27, 1968	August 29, 1970
Stikeman, T.	July 27, 1970	March 24, 1973
Rochon, J. J.	September 1, 1971	September 19, 1973
Orange, D.	September 29, 1971	Present
Lalonde, G. R.	March 26, 1973	August 8, 1974
Brunet, V. P.	September 30, 1974 and January 20, 1975	October 22, 1974 April 8, 1975
Mathieson, K. D. H.	September 30, 1974 and December 8, 1975	October 10, 1975 present
Ward, R. E.	April 1, 1975	present
Ramsden, J.	February 16, 1976	present
Dube, P.	March 15, 1976	present

(iii) nil

BUTTER IMPORTS

Question No. 4,984—**Mr. Lambert (Bellechasse):**

For the year 1975, by month, how many pounds of butter were imported (a) from what countries (b) at what cost?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Statistics Canada reports the following: Imports of butter into Canada in the period January to December 1975 amounted to 10,063,900 pounds for a value of $5,897,000. The Canadian consumption of butter during 1975 was 11.53 pounds per capita, or 263,266,000 pounds in total. The amount imported into Canada during 1975 was 3.82 per cent of the total amount consumed. The following table shows the amount imported by month from each country of consignment and the average price in cents per pound.

Imports of Butter—1975

	January			February			March		
Country	Lbs.	$	Unit Price	Lbs	$	Unit Price	Lbs.	$	Unit Price
United Kingdom	300	—	—	—	—	—	—	—	—
Australia	1,138,800	705,000	0.62	4,480,000	2,601,000	0,58	—	—	—
New Zealand	—	—	—	1,962,900	1,135,000	0.58	2,481,500	1,456,000	0.59
Total	1,139,100	705,000	0.62	6,422,900	3,736,000	0.58	2,481,500	1,456,000	0.59
	April			May			June		
Nil	Nil			Nil			Nil		
	July			August			September		
United States	200			Nil			Nil		
	October			November			December		
United Kingdom	Nil			Nil			200		

	January to December 1975		
United Kingdom	500	—	—
Australia	5,618,800	3,306,000	0.59
New Zealand	4,444,400	2,591,000	0.58
United States	200	—	—
Total	10,063,900	5,897,000	0.59

OPERATION AND EFFICIENCY OF RAILWAY PASSENGER SERVICE

Question No. 4,990—**Mr. Jones:**

1. Have steps been taken to improve the operation and efficiency of railway passenger service between (a) Ottawa and Montreal (b) between Montreal and Moncton and other points east and, if so, what are they?

2. Is the Minister of Transport and the Department of Transport considering meeting with Members of Parliament from the Maritime Provinces to discuss suggestions as to how to improve and create greater efficiency and increased patronage for passenger service in and out of the Maritime Provinces?

3. Has consideration been given to increasing the quantity and quality of work which can be done at the Canadian Railway Shops in Moncton?

4. What inspection services are provided for checks of (a) trackage (b) railway equipment (c) rail cars before being released for service?

5. Does provision exist in Canadian National Railways to encourage staff on passenger cars to report problems with equipment and railway cars and, if so, what is it?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Transport Canada advises as follows: 1. As part of the Railway Passenger Program announced on January 29, the railways and the government are now preparing plans for the improvement of corridor services of which the Ottawa-Montreal route forms a part. Some changes will be announced by CN in the April timetable. An announcement on a corridor demonstration project is to be made in the near future. Public hearings on the Montreal-Maritimes service will be conducted by the CTC and will be completed by late 1977. These hearings will follow a similar format to those now underway on the Montreal-Vancouver trans-continental services, permitting the public to comment on and provide inputs to the developments of future plans for these services.

2. In reviewing the Montreal-Maritimes services the views of all interested parties, including the Members of Parliament from the region will be sought. I would be pleased to receive the suggestions of the Honourable Members on these Maritime services. The Management of Canadian National Railways advises as follows:

3. The quality of work done in the Railway's shops has been and is of a high standard. Canadian National does not normally compete against private industry in the solicitation of work for its shops. Every effort has been made this year to introduce work of a railway nature into the shops to help minimize the effect of lay-offs. A major passenger car upgrading program was approved early in 1976 and, although passenger work is not performed in Moncton, that shop did benefit because of the need to offload freight car work from other railway shops.

4. (a) The frequency of inspection varies according to the class of track but generally: 1. Track is inspected so that not more than two calendar days elapse between inspections. These regular inspections are performed by an experienced employee riding on a track motor car or Hy-rail car, at slow speed. The Roadmaster must make at least one of these inspections each week. 2. Twice a year a walking inspection must be made. One of these inspections must be made by the Roadmaster; the other must be made by the Track Foreman. 3. Once every three weeks during summer conditions and once every week during winter conditions the track ride quality must be checked by riding a train. These train inspections must be done by a Roadmaster. 4. If there are conditions anticipated, such as earth slides, floods, extremely high or low temperatures, forest fire hazard and vandalism, track is inspected more frequently. (b) and (c) CTC regulations require mandatory and operational inspections of all rail equipment prior to being released for service. These regulations are further augmented by Company developed inspection procedures. These requirements are of a continuous, trip and periodic nature and are so designed to ensure that all critical rail equipment components are thoroughly inspected within a predetermined period of time.

5. A special form for Reporting of Defects has been in use for quite some time. All road service personnel are instructed in its use and disposition. It is a requirement that all noticeable defects be reported to ensure repairs at terminals or, if possible, enroute.

PUBLIC SERVICE SUPERANNUATION ACCOUNT

Question No. 5,015—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount at credit in the Public Service Superannuation Account as at (a) March 31, 1973 (b) March 31, 1974 (c) March 31, 1975?

2. What rate of interest has the government paid for the use of this money during the fiscal years ending on the dates noted above?

3. What amount of interest was credited to the Public Service Superannuation Account during the fiscal years ending (a) March 31, 1973 (b) March 31, 1974 (c) March 31, 1975?

4. What was the total amount paid out of the Public Service Superannuation Account during the fiscal years ending (a) March 31, 1973 (b) March 31, 1974 (c) March 31, 1975?

Hon. Jean Chrétien (President of Treasury Board): 1. (a) $4,945,750,813; (b) $5,427,502,239; (c) $6,420,297,891.

2. Quarter ending June 30, 1972, 1.4601; September 30, 1972, 1.4659; December 31, 1972, 1.4778; March 31, 1973, 1.4931; June 30, 1973, 1.5042; September 30, 1973, 1.5252; December 31, 1973, 1.5364; March 31, 1974, 1.5490; June 30, 1974, 1.5642; September 30, 1974, 1.5900; December 31, 1974, 1.6259; March 31, 1975, 1.6363.

3. (a) $184,190,199; (b) $202,866,916; (c) $227,008,801.

4. (a) $137,073,425; (b) $163,297,280; (c) $184,831,352.

SUPPLEMENTARY RETIREMENT BENEFITS ACCOUNT

Question No. 5,017—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount contributed (a) by employees (b) by the government, to the Supplementary Retirement Benefits Account during the year from April 1, 1974 to March 31, 1975?

2. What was the total amount paid out of the Supplementary Retirement Benefits Account, during the year from April 1, 1974 to March 31, 1975, in the form of pension supplements and to how many individuals were such pension supplements paid at any time during that period?

3. What was the balance at credit in the Supplementary Retirement Benefits Account (a) as at March 31, 1974 (b) as at March 31, 1975?

Hon. Jean Chrétien (President of Treasury Board): 1. (a) $20,743,268.31; (b) $20,743,268.31.

2. $58,877,913.05 was paid as pension supplements. As at March 31, 1975 there were 101,437 recipients of pension increases.

3. (a) $34,864,550.82; (b) $76,315,285.96.

CHARTERED BANKS—ESCALATION OF PENSIONS WITH RISE IN COST OF LIVING

Question No. 5,025—**Mr. Knowles (Winnipeg North Centre):**

Has the Minister of Finance, or the Inspector-General of Banks acting for the Minister, since March 17, 1975, had any discussions with the chartered banks concerning the need for the pensions paid to their retired employees to be escalated annually by an amount at least equal to the rise in the cost of living and, if so, can the Minister now say whether the chartered banks are implementing this practice with respect to their retired employees?

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): As was the case in March 1975, government policy continues to be to avoid the imposition of extraordinary conditions on private pension plans. The chartered banks, however, continue to be conscious of the needs in this area and are pursuing the previously reported practice of making supplementary payments to their older pensioners with increases in the cost of living being the primary factor in the determination of the amount of the supplement.

DATE OF NEXT CONSOLIDATION OF STATUTORY ORDERS AND REGULATIONS TO STATUTES

Question No. 5,040—**Mr. Robinson:**

Will the government advise on what date the next consolidation of the Statutory Orders and Regulations to the Statutes will be published?

Mr. Francis Fox (Parliamentary Secretary to Minister of Justice): It is anticipated that the next Consolidation of Regulations and Other Statutory Instruments will be published on or before July 1, 1977.

PROPOSED EXPANSION OF ST. LAWRENCE ISLANDS NATIONAL PARK—PROPERTY APPRAISALS

Question No. 5,044—**Mr. Baker (Grenville-Carleton):**

1. What is the relationship, if any, between the St. Lawrence Seaway Authority and Parks Canada with respect to the projected expansion of St. Lawrence Islands National Park?

2. (a) How many real property appraisals have been carried out in the area of the projected expansion of the St. Lawrence Islands National Park (b) how many properties are affected by the appraisals undertaken to date (c) is such appraisal work continuing?

3. How many properties have been acquired through the execution of agreements of purchase and sale as of the date hereof?

4. How many properties has the government under option as of the date hereof?

5. (a) At the time the Minister lifted the freeze on the Park expansion, how far had the negotiations gone (b) what is the present state of the negotiations for the Islands of Wallace, Hay, McDonald and Leeward?

6. Have any other negotiations taken place since December 11, 1975, for other islands or mainland property within the general proposed boundaries of the park other than the negotiations referred to?

7. In what manner is the amount of $300,000 contained in the 1976-77 Estimates to be spent and will such expenditures relate to both island and main shore properties?

8. What are the names and addresses of the owners whose property will be purchased with the $300,000?

9. What are the names and addresses of the real estate agents and/or brokers handling the sale of properties for and on behalf of the existing owners?

10. What are the names and addresses of the real estate agents and/or brokers or others handling the purchase of properties on behalf of Parks Canada?

11. Has the Minister of Indian Affairs and Northern Development received any communication from the Government of Ontario asking that the project for park expansion and acquisition of property therefore be halted and, if so, what (a) is the text of the communication (b) was the response of the Minister?

Hon. Judd Buchanan (Minister of Industry, Trade and Commerce): 1. There is no relationship.

2. (a) A total of 17 real property appraisals were initiated in the area of the proposed expansion of St. Lawrence Islands; (b) 17; (c) appraisal work is continuing only for that part of Hill Island for which it was previously indicated we would conclude the purchase.

3. None.

4. Two properties.

5. (a) Although no definite commitments to purchase were made, negotiations had been undertaken by both sides in good faith and had proceeded to the point where owners and/or their representatives, in reasonable expectation of completing negotiations, had incurred costs, or otherwise would suffer financially as a result of a breaking off of negotiations. (b) With respect to Wallace Island, negotiations have ceased and are not being renewed. An offer to Purchase for part of Hay Island was accepted by the owner February 25 and is expected to be received by my Department from the Department of Public Works momentarily. An Offer to Purchase for part of McDonald Island and all Leeward Island was accepted by the owner

February 9. A recommendation for purchase of this property has been made to the Governor in Council.

6. No.

7. Funding provided in 1976-77 Estimates will be expended in the appraisal and purchase of the three remaining properties for which we have obligations and which were previously announced and for expenses directly related to these purchases, such as legal fees. No further lands will be purchased until the Advisory Committee has been established, and that Committee has recommended on a master plan for park expansion and development and a master plan has been approved.

8. As negotiations have not yet been completed this is considered to be privileged information, the release of which would violate the buyer—seller agreement.

9. Part Hay Island, Part McDonald, all Leeward Island, Alan Bickerton, Realtor, Bickerton Agencies Ltd., 395 Pine St., Gananoque, Ontario. Easterly Portion of Hill Island, Legal representation is by John B. Henderson, Q.C. of Henderson, Hart, Johnston, Fournier and Algie, Barristers and Solicitors, Equity Building, 61 King St., East, Brockville, Ontario. K6V 1B2, but all contact and correspondence to this point has been with Mr. Jan David, President of Hill Island Ltd., who is acting as a development consultant and adviser to the other owners during negotiations.

10. Property Services, Capital Region, Department of Public Works, 140 O'Connor Street, Ottawa, Ontario.

11. No.

INSTITUT DE PROMOTION DES INTÉRÊTS DU CONSOMMATEUR

Question No. 5,114—**Mr. Jones:**

1. Did the Minister of Consumer and Corporate Affairs announce that an amount of $55,000 was granted to the *Institut de promotion des intérêts du consommateur* and, if so, was a comparable grant given to English-speaking organizations?

2. (a) What are the aims and purposes of the *Institut de promotion des intérêts du consommateur* (b) who are its officers (c) on what date was it incorporated?

3. Is the organization confined to French-speaking consumers in Quebec and, if so, who is responsible for (a) English-speaking consumers in Quebec and other parts of Canada (c) French-speaking consumers outside Quebec?

Mr. Art Lee (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): 1. Yes. In 1975-76 the department funded 21 organizations under the Consumers Assistance Grants Program. $333,000 was given to five organizations serving both English and French consumers; $90,780 was given to 12 organizations serving English speaking consumers; and $85,000 was given to four organizations serving French speaking consumers.

2. (a) The objective of L'Institut de Promotion des Intérêts du Consommateur is the improvement of the quality of life of Quebec people through consumer education and information. (b) This voluntary organizations is governed by a board of directors with 16 members representing a wide range of interests. The general director is Gilles Robert. (c) The organization was provincially incorporated November 4, 1971.

3. The Organization publishes information material in French. (a) English speaking consumers are served through a variety of governmental or local voluntary agencies. During the last fiscal year the department awarded grants to 17 organizations which serve English speaking consumers including five bilingual organizations. (b) The Minister of Consumer and Corporate Affairs in awarding this grant, has encouraged IPIC to make its publications available to French speaking consumers outside Quebec.

PRIME MINISTER'S TRIP ON JUNE 7, 1975

Question No. 5,144—**Mr. Cossitt:**

1. Did the Prime Minister use a government-owned aircraft to travel to and from Quebec City on June 7, 1975 for purposes of attending a Liberal Party function honouring the Minister of Transport and, if so (a) what is a full description of the aircraft (b) what was the cost per hours of flying time (c) what was the total cost of the trip to the taxpayer (d) where did all flights originate and terminate (e) what are the names of all persons on board at any time during the trip?

2. What is the (a) name (b) job designation (c) salary of each crew member?

Right Hon. P. E. Trudeau (Prime Minister): In so far as the Prime Minister's Office is concerned: 1. The Prime Minister travelled to Quebec City on June 7, 1975. (a) MOT Jetstar. (b) $970 (see reply to question 4,110 answered March 12, 1976). (c) Travelling expenses: $314.94. (d) and (e) Toronto—Quebec City; The Prime Minister; Bob Murdoch, PMO; Colin Kenny, PMO; Ian MacDonald, PMO; The Hon. John Munro; F. Viola, Labour; G. McGaffrey, Labour; Quebec City—Ottawa The Prime Minister; Bob Murdoch, PMO; Colin Kenny, PMO; Ian MacDonald, PMO; G. McCaffrey, Guest, Labour.

2. See reply to question 69 answered February 3, 1976.

WELLAND-PORT COLBORNE AREA

Question No. 5,153—**Mr. Coates:**

1. Has the Welland-Port Colborne area been designated as a bilingual district with St. Catharines as the regional centre and, if so, who made the decision?

2. (a) What are the names of the persons who served on the committee that made the decision (b) how was the selection of the membership made in each case (c) what were the qualifications of each?

3. Were studies made within the area and, if so (a) what type of studies (b) who made them (c) at what cost?

Hon. Jean Chrétien (President of Treasury Board): 1. No.

2. Not applicable.

3. Not applicable.

FIRE ALARM SYSTEMS AND PROCEDURES IN GOVERNMENT BUILDINGS

Question No. 5,164—**Mr. Cossitt:**

1. Did Mr. David Morley, a Deputy Secretary of the Treasury Board, receive a letter dated January 19, 1976 signed by Mr. C.A. Edwards, President of the Public Service Alliance of Canada, on the subject of fire alarm systems and procedures in government buildings?

2. Did the letter state in part "very grave dangers to government employees, members of the PSAC and others, exist as a result of inadequate as well as non-existent fire alarm systems and procedures in federal government buildings"?

3. Did the letter list five alleged examples of what it called such deficiencies?

4. Did the letter also state in part "the lack of equipment, trained personnel and testing procedures presents, in our opinion, a serious threat to the safety of our members employed by the Government of Canada?

Hon. Jean Chrétien (President of Treasury Board): 1. Yes.

2. Yes.

3. Yes.

4. Yes; (Arrangements have been made by the Treasury Board Secretariat for meetings between the Dominion Fire Commissioner's office (Department of Public Works), which is responsible for fire safety matters in Federal. government buildings, and representatives of the Public Service Alliance of Canada, to discuss the matters raised in Mr. Edwards' letter).

MOVING OF MARKER BUOY

Question No. 5,182—**Mr. Cossitt:**

1. Did the Department of Transport investigate the moving of a marker buoy in the St. Lawrence River main channel between Hillcrest and Black Charlie Island near Brockville, Ontario, a distance of approximately 75 yards downstream and 25 yards closer to the mainland into shallow water on or about April 1, 1976 and, if so, with what results?

2. Was it established that this dangerous situation to St. Lawrence Seaway shipping was caused by huge swells thrown-up by a United States Coast Guard vessel travelling at excessive speeds in Canadian waters and, if so, what are the details of any protest filed with American authorities?

3. Did officials of the Department publicly state at the time of the incident, that Canadian authorities have no recourse of action against the American Coast Guard cutters speeding in Canadian waters and, if so (a) for what reason (b) on what date and under what agreement did Canada surrender its right to deal with such foreign vessels breaking the laws of the country?

4. Does such a condition interfere with Canadian Sovereignty and, if so, what steps will be taken to remedy this situation?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): 1. Yes. The buoy was found to be off its station and was replaced in its advertised position.

2. No. Movement of the buoy was probably caused by ice. A USCG vessel was reported by a private citizen to have passed through the area at high speed. This information was passed to the St. Lawrence Seaway Development Corporation, the vessel's operational authority at the time of the passage.

3. No. (a) Not applicable. (b) Not applicable.

4. Not applicable in view of the response to Part 3.

ST. LAWRENCE ISLANDS NATIONAL PARK—ACQUISITION OF LAND UP TO MARCH 31, 1976

Question No. 5,202—**Mr. Cossitt:**

With reference to the Estimates for 1976-77, which show a sum of $300,000 budgeted for "acquisition of land" in the St. Lawrence Islands National Park up to March 31, 1976, what is the land which was acquired or which was in the actual process of being acquired up to March 31, 1976 and, what is the legal property description in each case?

Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development): No property was acquired up to March 31, 1976. Properties in the actual process of being acquired up to March 31, 1976 are as follows: (A) Part of an island now known as MacDonald Island in the River St. Lawrence, Township of Leeds, County of Leeds as shown on Plan No. 120 registered in the Registry Office for the said County and containing 1.0 acres, more or less; and Islands numbered 12B and 12C (known locally as Leeward Island) in the River St. Lawrence opposite the Township of Leeds in the County of Leeds according to Registered Plan No. 120 of the islands in said river. (B) Lot 1 according to Registered Plan 313 in the Township of Leeds, in the County of Leeds (part of Melville or Hay Island); and part of Melville or Hay Island in the Admiralty Group of the Thousand Islands opposite the Town of Gananoque in the Township of Leeds in the County of Leeds, containing an area of 60.35 acres, more or less.

STUDENT SUMMER EMPLOYMENT AT MALLORYTOWN LANDING—ST. LAWRENCE ISLANDS NATIONAL PARK

Question No. 5,223—**Mr. Cossitt:**

1. How many students will be hired for the summer by Parks Canada at Mallorytown Landing Park in the St. Lawrence Islands National Park and, in each case (a) how many will be required to be bilingual (b) are all applicants being asked if they are bilingual at the time of applying?

2. Is the government aware that this Park is used primarily by local English-speaking residents of the Leeds County area and by English-speaking visitors from the United States and, if so, what is the purpose of insisting on bilingualism?

3. Has the government kept exact statistics or made a survey of the number of non-English speaking persons who make use of Mallorytown Landing Park during the summer months and (a) if so, what was the result of such survey (b) if not, will any bilingual requirement be dropped in order that local English-speaking students will be able to have an opportunity of being hired for the positions?

Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development): Mallorytown Landing is not a park in itself but mainly the mainland visitor services area to the St. Lawrence Islands National Park in total. The following information is in response to the question but in reference to the St. Lawrence Islands Park.

1. The Parks Canada Program has a total of 42 positions to fill for the summer at St. Lawrence Islands National Park. Any person from the local area possessing the qualifications required for the jobs is eligible for employment. (a) Twenty-seven of the 42 positions have been filled with summer students. Four of the 42 positions require a knowledge of both official languages. Thirty-one people from the local area have been hired for the summer, of which total, 16 are students. (b) Only applicants being interviewed for the bilingual positions were asked if they were bilingual. Two of the four bilingual positions were filled through the Summer Student Exchange Programme between Quebec and Ontario.

2. The government is fully aware that this Park is used primarily by local English-speaking residents of the Leeds County area and by other English-speaking visitors but regardless of this fact, in keeping with the spirit and intent of the Official Languages Act, must ensure that services to the travelling public are provided or made available by the Program in both official languages should they be required, as per Section 10 of the Act.

3. Surveys or exact statistics have not been compiled on the number of non-English-speaking persons making use of Mallorytown Landing but, by the same token, the oppor-

tunity for employment of local English-speaking students has not been hindered by a high demand for a bilingual capability as per our response to Question 1.

ST. LAWRENCE SEAWAY—RATES

Question No. 5,236—**Mr. Forrestall:**

How much higher, in percentage terms, would the rates, in the St. Lawrence Seaway, have to be to make it fully compensatory and discharge the spirit of the obligations placed on the corporation under its statute?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The St. Lawrence Seaway Authority advises as follows: For the year 1976-77, the projected income from tolls would have to be increased by 310 per cent to enable the St. Lawrence Seaway Authority to discharge its obligations under its Act (in thousand).

(a) Expenses 1976-1977—$38,556; Capital Expenditures—$2,228; Total $40,784. (b) Income—$26,980. 40,784/26,-980 = 151 per cent or 51 per cent more. (c) Interest—$45,750. 40,784 + 45,750: Total $86,534. 86,534/26,980 = 320 per cent or 220 per cent more. (d) Repayment of Capital—$24,000. 817,500/34 years = $24,000. 86,534 + 24,000: Total $110,534. 110,534/26,980 = 410 per cent or 310 per cent more.

RATES—CARGO

Question No. 5,243—**Mr. Forrestall:**

What is the Department of Transport's best estimate on what rates would be required for the year 1976 on cargo moving through the St. Lawrence Seaway to make the Seaway fully compensatory if the following assumptions were met in full (a) a cargo flow identical to that experienced in the year in which the St. Lawrence Seaway enjoyed the largest tonnage in its history (b) the same ratio of bulk cargo to general cargo rates which prevail at the present time (i.e. 40¢ per ton vs 90¢ per ton) (c) capital costs and capital debt to be totally recovered by the year 2010 (d) all operating costs for the year 1976 to be recovered from cargo assessments?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The St. Lawrence Seaway Authority advises as follows: Under the assumptions indicated in the question, the rates for cargo moving through the St. Lawrence Seaway would have to increase to approximately $1.65 per ton of bulk cargo and to approximately $3.70 per ton of general cargo (in thousands).

(a) 1973 Income from tolls—$24,700. (b) Rates are $0.40 per ton for bulk and $0.90 per ton for general cargo. (c) Capital repayment—$24,000; Interest charges—$45,700; Expenses—$40,700: Total $110,500. 110,500/24,700 = 4.1. Bulk cargo rate of $0.40 × 4.1 = $1.64 per ton; $1.65 per ton. General cargo rate of $0.90 × 4.1 = $3.69 per ton; $3.70 per ton.

MEMBERS OF CANADIAN DAIRY COMMISSION

Question No. 5,294—**Mr. Lambert (Bellechasse):**

1. What is the name and address of each member of the Canadian Dairy Commission?

2. Were any members of the Commission milk producers before their appointment and, if so, were they producers of natural or industrial milk?

Order Paper Questions

Hon. E. F. Whelan (Minister of Agriculture): 1. Powers, Ellard R.R. 1, Beachburg, Ontario; Thibaudeau, Jules R.R. 2, Thurso, Quebec; Johnson, Horace M. 1285 Cahill Dr., Apt. 706, Ottawa, Ontario.

2. Yes, all three members were milk producers before their appointment, E. Powers—integrated fluid producer, J. Thibaudeau—industrial milk producer, H. M. Johnson—fluid producer.

HOTEL ACCOMMODATION

Question No. 5,338—**Mr. Cossitt:**

Has the Inn of the Provinces received business from the government since it opened and, if so (a) in what amounts (b) for what purpose (c) from which departments?

Hon. Mitchell Sharp (President of the Privy Council): The information requested is not readily available. To provide an accurate reply in its entirety, would entail a lengthy and costly examination of the accounts of every department and agency including their regional offices. The costs in manpower and time to undertake such a large amount of work would be prohibitive.

HOTEL ACCOMMODATION

Question No. 5,353—**Mr. Cossitt:**

Has Chateau Montebello received business from the government since it opened and, if so (a) in what amounts (b) for what purpose (c) from which departments (d) on what dates (e) what was the total amount received from all departments (f) in each case, what are the names of (i) senior Public Service officials (ii) Cabinet Ministers involved?

Hon. Mitchell Sharp (President of the Privy Council): The information requested is not readily available. To provide an accurate reply in its entirety, would entail a lengthy and costly examination of the accounts of every department and agency including their regional offices. The costs in manpower and time to undertake such a large amount of work would be prohibitive.

FARM CREDIT CORPORATION—LOANS

Question No. 5,354—**Mr. Neil:**

1. By province, how many applications for loans under Part IV of the Farm Credit Corporation Act were received and how many were approved?

2. What was the average amount of each such loan?

Hon. E. F. Whelan (Minister of Agriculture):

Part IV Loans under the Farm Credit Act, 1975-76*

Province	1. Loans Approved Number	2. Average Amount $
British Columbia	10	61,930
Alberta	146	68,790
Saskatchewan	132	68,853
Manitoba	36	44,192
Ontario	154	76,368
Quebec	16	57,906
New Brunswick	5	42,600
Nova Scotia	2	55,400
Prince Edward Island	3	53,467
Newfoundland		

* Statistics are not maintained on number of applications by Parts. Applications under various Parts of the Act are processed in the same manner. They are not identified by Part until approved.

* * *

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 3,720 could be made an order for return, this return would be tabled immediately.

[*Text*]

CHICKEN IMPORTS AND EXPORTS

Question No. 3,720—**Mr. Rondeau:**

1. From 1970 to 1975 what was the (a) value (b) number of broiler chickens (i) imported (ii) exported?

2. (a) Which companies imported and exported the chickens (b) in each case, what quantity was involved?

3. With respect to the operations, how long are importation permits valid?

4. In 1975, how many companies held a permit for the (a) importation (b) exportation of broiler chickens?

5. During the past five years, what was the value of broiler chickens imported and exported by Jos Friedman Company of Saint-Lin, Quebec?

6. What subsidy was granted by the Department of Regional Economic Expansion to Jos Friedman Company of Saint-Lin, Quebec?

7. During the past five years (a) what was the value of broiler chickens bought by Air Canada, Canadian National, the National Harbours Board, other Crown corporations, the Department of Supply and Services and the Canadian Penitentiary Service (b) what proportion was imported?

8. On the average, at what price were the broiler chickens (a) imported (b) sold and in what way were they sold?

Return tabled.

[*English*]

Mr. Blais: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—ALLEGED GOVERNMENT INACTION IN FINDING SOLUTION TO PROBLEM OF POLLUTANTS

Mr. J. R. Holmes (Lambton-Kent) moved:

That this House deplores the government's insensitivity and lack of action with respect to the critical problem of pollutants; in particular, that of mercury poisoning, which has had a destructive effect on the economic, social and health status of native people.

[Mr. Whelan.]

He said: Mr. Speaker, in a very personal way, I do not recall an issue that has concerned me more than that of the problem of mercury and its many ramifications. This motion before the House is in response to the government's insensitivity to the mercury problem and its obvious pretence that a social, economic and health crisis is non-existent. The problem has been particularly devastating to the native community. In human terms, it has been a tragedy of appalling proportions, and in the eyes of Canadians and the international community it has been a national disgrace.

The Minister of National Health and Welfare (Mr. Lalonde), who extols the virtues of the government's role in the development of a health care system, has viewed the problem with minimal interest and action. The minister was content to relegate the matter to an interdepartmental committee which is well recognized as the sophisticated bureaucratic method that is utilized to diffuse a non-priority item. The Minister of Indian Affairs and Northern Development (Mr. Buchanan), who has a very special responsibility and mandate on behalf of native people and who should have provided strong, decisive leadership from the outset, has conveniently played the game of jurisdictional authority, again at the expense of native people.

The Minister of the Environment (Mr. Marchand) has never viewed the problem in a serious manner and, indeed, a former minister of the environment, when addressing the executive council of the Canadian Manufacturers' Association at the Royal York Hotel on April 8, 1970, clearly indicated that a problem did not exist. I quote as follows from his text entitled "The Polluter Must Pay":

> Fortunately, we have caught our mercury problem in time. We have caught it before there has been any real danger to human beings. Once spotted, we have closed the fishery. Either that or we have bought up all the fish and had them destroyed. Nothing has escaped the watchfull eye of our federal inspection service, a service which is regarded the world over as tops.

I want to emphasize that the problem bridges provincial boundaries, that the problem today has grown in scope and magnitude and has ramifications, in my view, that demand a very strong federal presence. I want to make it emphatically clear that the major responsibility rests with federal authorities. Indeed, as the debate unfolds today I have no doubt the federal government can, and should, be censored for its role, or, more appropriately, its lack of role in this sordid affair.

Some hon. Members: Hear, hear!

Mr. Holmes: Historically, the federal government has had a callous attitude in dealing with health problems affecting the native people—which constitutionally, I must remind the House, is a federal responsibility. Farley Mowat, in his book "The Desperate People" describes the virtual extinction of the inland Eskimos of the Keewatin district in the Northwest Territories. His chronicle of events should have served as an irrefutable argument for the necessity of immediate government intervention when the mercury problem first appeared. Father René Fumoleau, a priest with years of service in the north, in his recent book "As Long as the Land Shall Last", in describing the 'flu epidemic of 1928 relates the unbelievable medical tragedies suffered by the aboriginal people of that day

and the failure of the federal government to respond to a crisis situation that affected human lives.

For a moment I would like to reflect on that tragic period in Canadian history as related by Father Fumoleau, because it is analogous to the problem we are debating today. If we substitute the word "mercury" for more familiar medical terms such as "tuberculosis," "smallpox", "measles" or "Spanish 'flu" which afflicted the natives of that day, one will find an amazing similarity not only in terms of human tragedy but in terms of government inaction.

Dr. Bourget, during his visits at that time to the territories in 1928, described a race attempting to survive but slowly dying from the white man's sickness. Influenza killed at least 200 in his area along the Mackenzie River in three weeks. Dr. Bourget predicted at that time that tuberculosis would become more active as a result of the Indian's weakened physical condition, yet despite pleas to Ottawa for medical help at that time his advice was ignored—and, of course, his predictions became reality.

In the years following the epidemic, Ottawa, despite the warning, actually reduced funds for the medical care of Indians. Between 1931 and 1934 the total budget for health services for all Indians in Canada dropped from $1,050,000 to $793,000, which included salaries for doctors, nurses, and transportation. By 1936 the government was paying less than $12 per year per Indian in the Northwest Territories for all medical services—and this was for a native population riddled with acute and chronic illnesses. Government directives during that period bordered on the inhuman and can best be characterized as lack of response to a problem which was felt by those in authority in Ottawa to be either exaggerated or of no importance.

The director of Indian Affairs advised all agents on January 14, 1934, that the department would expect a reduction in drug expenditures and demands of about 50 per cent. His directive went on to say that there would be no funds for tuberculosis surveys, treatment in sanatoria or hospitals, of chronic tuberculosis or other chronic conditions, nor in fact for any treatment except for acute sickness. In 1939 the department issued the following directive to Indian agents across Canada: a reduction of one day in the average length of stay of sick Indians in hospital would save about $15,000; it should not be difficult to save $10,000 in drug costs by limiting the amount of cough medicine, linaments, tablets, and so on, given to Indians. That black period in our history has reappeared in a new form, namely, mercury poisoning.

● (1230)

I have no doubt Canadians are shocked by these events and would consider the circumstances unconscionable in our society, yet it is precisely such an issue that is before us. As I stated previously, we have a social, economic and health crisis similar to the previous examples; but because new terminology—namely, mercury poisoning or Minamata disease—has been introduced, the government has attempted to mesmerize the public into believing the problem will magically disappear, and consequently has abrogated its responsibility to deal with the issue in a decisive and responsible manner.

I have been astonished by those in government who use the feeble excuse that mercury poisoning is an exotic disease recently discovered. Let me briefly place the matter in perspective. The mercury-contaminated fish problem came to the attention of the world in the city of Minamata, Japan, in 1953. Hundreds have died from that experience and thousands remain crippled, with an uncertain future. The problem has been well documented in the United States, Iraq and Sweden, again with scores of deaths and permanent neurological disability.

In 1964, at a major international conference, Dr. John Sprague, representing Canada from the Fisheries Research Board, was informed of the seriousness of the mercury problem by Dr. Jun Ui, and despite Dr. Sprague's interest and concern on returning to Canada no action was taken. In 1969, Jensen and Jernlov published the first report of aquatic organisms converting mercury to the far more toxic methyl mercury. Dr. Leo Buffa represented Canada at the International Mercury Conference at Prague in 1973 to obtain information for chloralkali regulations. At the international conference in Stockholm in 1970, Minamata patients were present with appropriate medical documentation. Surely the federal government was aware of these developments, and with the knowledge of industrial complexes in Canada utilizing mercury it could have taken active measures during this period to assess the magnitude of the problem.

Let me briefly refer to the Canadian situation. A brief prepared by the University of Saskatchewan and presented to the federal Department of Fisheries and Forestry in May, 1969, pointed out abnormal levels of mercury in fish taken from the Saskatchewan River below Saskatoon. Four months later, high mercury levels were found in fish taken from the Wabigoon River in northern Ontario. The discovery spread to the English River, and consequently the Wabigoon and English River systems were closed to commercial fishing in 1970. Mercury levels in fish from Clay Lake, northwest of Dryden, had the highest readings anywhere in the world, including fish obtained from the Minamata area. The Manitoba government lost its court case in the Supreme Court of Canada against mercury polluting companies upstream of Lake Winnipeg. Other parts of Ontario, including Lake St. Clair, the Detroit and St. Clair Rivers and the Ottawa River, have been affected. The Bell River system in Quebec is seriously polluted.

Following the ban on commercial fishing in Ontario forgivable loans were received by the affected fishermen. Despite the inadequacy of these loans, can the government possibly explain why the commercial fishermen at Matagami have not received one cent in compensation? Can the government possibly explain why Dow Chemical was forced to change its process for handling effluents during 1970, yet the same action was not taken with Dryden and Domtar. The FMC plant in Squamish, British Columbia, has displayed effluent technology effective since 1971. One can only ask why this knowledge was not utilized by the federal government in establishing their chloralkali regulations.

Mr. Speaker, there are other examples. Surely the evidence is overwhelming that the federal government has had knowledge of a serious mercury problem for several years, but despite this fact it has displayed blatant disre-

gard for the seriousness of the problem, and only recently—and, I might add, under intense pressure—has it indicated some concern.

What has mercury pollution meant in human terms? The results have been devastating. We have seen self-sufficient native communities disintegrate. We have seen native people demoralized, and social chaos rise from the ashes while politicians and officials appear determined to pretend that no problem exists. Alcoholism, drunkenness, violence, crime and poverty have replaced self-sufficiency. Confrontation between the native and non-native population has replaced the need for a united front to fight a common enemy. The native, with his loss of traditional lifestyle, with his loss of independence and loss of dignity, has become the victim trapped in the jaws of an insensitive government.

As an example, among the principal benefactors of the fishing industry, both commercial and guiding, were two Indian reserves in the Dryden-Kenora area, namely, Grassy Narrows and White Dog. Others affected were shore workers in handling, processing, marketing, transportation and in supplying boats, gear, fuel and other commodities and services. What were the results? These two communities, which had previously been economically self-supporting, now are idle, dependent upon government handouts, and the people live in dread of the effect mercury will have on them and their children.

Before 1969 and the closure of the water system to commercial fishing, the total welfare budget for White Dog was substantially less than $50,000. By 1972 the figure was $93,550, and by 1974 it was $162,000. At Grassy Narrows the figure was less than $30,000 bere 1969, and had risen to $90,000 in 1971 and $122,000 by 1973. Prior to 1970, Ontario had 2,000 fishermen—56 in the Wabigoon, English and Winnipeg River systems. After the March, 1970, mercury fishing ban, approximately 240 Ontario fishermen were out of business, including all but three of the 56 in northwest Ontario. An estimated 250 natives from the two reserves were employed at tourist camps as guides, cooks and other jobs. Not only did they receive wages, but they frequently received gratuities and gifts to supplement their income. What has been the reward for these guides and tourist camp employees? Not one cent in compensation, but the risk of developing Minamata disease and the prospect of a number of guides recognized as high-risk patients having to return to guide work and continual eating of contaminated fish.

I do not for a moment underemphasize the impact the mercury problem has had on tourist camp owners, both those who have closed their doors in response to the health hazards and those who have remained open. Similarly, I do not under-emphasize the impact it has had on tourism in the area. All have suffered losses. However, the problem transcends the instinctive response of some individuals, fearful for their future, to use surreptitious methods, for reasons of self-interest, with risk to both native and non-native people. The government's lack of response to these fears has, predictably, undermined the seriousness of the mercury problem, and by procrastinating it has not only compounded the fears of those affected but has delayed a positive response to the overriding issue of a serious environmental health problem.

[Mr. Holmes.]

On Tuesday, April 13, Bob Kabestra appeared before the Standing Committee on the Environment. His testimony was not one of anger or vengeance: it reflected the wisdom of his years, yet a sense of hopelessness for the future. Bob Kabestra had been a successful commercial fisherman, independent, self-sufficient and proud of his accomplishments. When his commercial fishing business was suspended he was making a good income: he owned three homes, three trucks, three boats with motors, nets and other equipment essential for his vocation. With the stroke of a pen, all his dreams and accomplishments were erased. Does the government have a conscience in response to his fate? Have they taken any action which would indicate he is a human being with a serious problem? Bob Kabestra does not think so, and I agree.

● (1240)

I should like to say a few words about Minamata disease, or mercury poisoning. I find it inconceivable that there should remain people who believe the disease entity is a myth and does not exist. Excluding the documented deaths and cases in other countries, I have stated in the past, and will repeat, that Minamata disease is a reality in Canada and I anticipate additional cases will be documented in the future. Dr. André Barbeau, director of the neurology department of the Montreal Institute of Clinical Research, well known for his discovery of L Dopa used in the treatment of Parkinson's disease, and who has worked with Japanese specialists in studying Minamata disease, has clearly demonstrated its presence in Cree Indians in Quebec and has also described symptoms in two white people.

From testimony we received at the standing committee on April 13, which has been confirmed by numerous articles, he has identified six definite cases, ten probable and several others tested as possible. Time does not permit a detailed analysis of the medical implications. Suffice it to say that there is overwhelming evidence related to such matters as length of time before symptoms appear, the added risk of continued exposure to those with known, elevated levels of mercury, the problems related to pregnancy, genetic and congenital problems, to indicate with a high degree of predictability that additional cases will appear. In addition, I am most concerned that a request which was placed before the Minister of National Health and Welfare by the president of Treaty No. 3, Fred Kelly, asking for assistance and for Dr. Barbeau to appear in that area as a known expert in neurology has received no response as yet from the Department of National Health and Welfare. Perhaps we will have some response in that respect today.

Notwithstanding the fact that there are individuals in government who are deeply concerned about the problems related to mercury—and I believe this view is shared by individual members in all corners of this House—I must re-emphasize that the government has not provided leadership to resolve, or indeed to formulate an effective program to deal with mercury and its many ramifications. Indeed, the government's record of inactivity is not only inexplicable but it is inexcusable. I have no doubt that government speakers will make reference to the recent rash of activity that has occurred within various departments on an ad hoc basis, but as Fred Kelly, president of Treaty No.

3, so aptly described the situation at the standing committee meeting on April 13, 1976, activity can only be measured in terms of effectiveness.

Some hon. Members: Hear, hear!

Mr. Holmes: If effectiveness is the appropriate criterion, and I readily accept that definition, then the federal government has failed dismally by not putting forward proposals in this respect. With the knowledge of a critical mercury problem in the hands of the government for several years, who on the government side is prepared or is able to defend the long period of inaction? There is no defence; there is only rationalization.

Why did the federal government refuse to invoke the federal Fisheries Act in the early 1970s before the chloralkali regulations were introduced? It was apparent the polluted waters crossed provincial boundaries, and if the act had been invoked and the Dryden plant had been closed for one day it would have alerted the native people, and indeed the surrounding communities, to the various procedures that would have been available to them in the courts.

We have evidence of a federal interministerial committee with NIB participation and provincial observers who had a mandate to collect and co-ordinate information concerning mercury. Prior to 1975 the meetings were infrequent, and despite numerous recommendations it was apparent their mandate was too restrictive; they had no decision-making capability and no secretariat to handle the workload. Again, no satisfactory explanation was given as to the lack of local native participation, and the lack of decision-making authority has made the body ineffectual.

The federal government was aware of the FMC plant in Squamish, B.C., that has had the technology since 1971 to keep their mercury discharge below the provincial and federal regulations, yet the regulations introduced are not based on this known FMC available and practical technology. There is no apparent effort to correlate the various scientific studies and to co-ordinate a plan effectively to overcome the adverse effects of pollution. In this regard it should be noted that on examination of mercury effluent reports from major chloralkali industries in Canada it was found there have been monthly averages during which the mercury discharge was above the standards set by regulation. Again, no explanation or action.

It is my understanding that the government is presently considering funding a litigation study, and hopefully we will have a response from the government in this regard before the debate is concluded. There is no effective way to place a monetary value on the destruction of a traditional way of life, yet compensation must be considered a priority item. The federal government has seen fit to assist in similar situations, for example, in James Bay. Is it any wonder the native communities have lost faith in the government? They have ignored native requests, native involvement and have simply responded with ad hoc, makeshift programs.

Testimony revealed that as recently as September, 1975, a native proposal for $60,000 to $70,000 to have mercury workers assist with the problems in the native communities was rejected by the Department of National Health and Welfare because they refused to recognize the presence of a mercury crisis. I have not heard serious objections raised to the $2.5 million directed to the Dryden Pulp and Paper Company from the Department of Regional and Economic Expansion, of which approximately $600,000 was spent in converting to a mercury-free process. However, when the transaction occurs under the umbrella of a public relations program, without regard to social, economic and health problems in the native communities, is it any wonder that cynicism and loss of confidence in the government prevails?

The critical problem of an alternate protein source of food has existed and continues to exist. I sense the importance of this matter has struck a respondent chord with government. But, again, the evidence is not convincing that the problem has been resolved. Let me also point out the obvious difficulties of convincing the native people in the communities affected to discontinue eating a long-standing stable of their diet when non-natives continue to eat fish from contaminated waters. In this regard I should also point out that there are studies to indicate abnormally high mercury levels may appear in these same individuals who consume contaminated fish for short periods, I ask the government, is this practice safe for the uninformed transient, and can the government assure these people that they will not be affected by this health hazard?

I ask the government, which undoubtedly has the authority, why they have refused to ban fishing in critical areas where cases of mercury poisoning have been clearly established. What are the government's plans to feed the natives at Matagami and Mistassini, Quebec, whose diet in the past consisted of 250,000 pounds of fish annually? Can this be replaced by other game? What other alternatives does the government propose? Will the government give favourable consideration to the excellent in-depth brief presented by the grand council of the Cree which includes the screening program for mercury in fish during 1976 at the Mistassini, Waswanipi and Niemiscau regions of James Bay?

● (1250)

This debate would not be complete without a comment about the Environmental Contaminants Act. I recall that when this legislation was introduced it was described as the most progressive piece of environmental legislation in any nation, and as the panacea to cure all environmental health problems. I viewed with skepticism the effectiveness of the bill, and I recall vividly the wide ministerial discretion which was embodied in it. One would be hard pressed to find an act in which the word "may" was used more frequently than in the Environmental Contaminants Act. The basic philosophy of the act can best be described as closing the barn door after the horse is out. The act has not been effective in this instance, and I respectfully submit that it requires significant amendments if it is, in fact, to be an effective piece of legislation to prevent environmental health hazards.

Out of this morass of callousness, insensitivity and pretence I think the question can logically be asked: Is there a solution? I believe the answer to that is an unqualified "Yes". Above all, the government must demonstrate a positive attitude, not only by words but also by action. It must demonstrate, in unequivocal terms, the necessity for a strong federal presence to deal with the basic issue of a

major environmental problem which affects both Indians and non-Indians alike.

For the immediate problem related to the communities directly affected by mercury pollution there is an obvious need for a central co-ordinating committee with a mandate for action and with meaningful input by those affected—in particular, native organizations. The natives have lost confidence in government and a legion of workers at this stage, irrespective of their good intentions, would be viewed with distrust and in my opinion would prove to be ineffectual. Confidence can only be regained at this late date by meaningful involvement of the communities affected and assurance of direct contact with the decision-makers.

When native reports have been rejected, when long-standing questions remain unanswered, when inconsistencies in the law exist, when endless delays for action are common, and when nameless faces revolve through desolate communities without solutions, is it any wonder the natives view with skepticism the sincerity of the government? Re-growth, the re-establishment of self-sufficiency, independence and a sense of dignity can only emanate from meaningful community involvement. I believe the Indian people have shown they are reasonable, capable and responsible in their approach to the problem, and their involvement should be a major priority.

There is an obvious need for a mechansim to serve as an early warning system for future environmental health problems so that decision-makers will have immediate information available to them. As I indicated previously, there is an obvious need for the Department of Indian Affairs and Northern Development to provide funds for legal aid. In this regard, the Minister of the Environment, in the same address to which I made reference at the outset, stated later in his speech to the executive council of the Canadian Manufacturers' Association:

> Our Freshwater Fish Marketing Board has already spent more than $300,000 helping to contain the mercury problem on the prairies.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, but his time has expired. He may continue with the unanimous consent of the House. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

Mr. Holmes: Thank you, Mr. Speaker. I will try to be brief in summarizing the remainder of my comments. I was quoting the Minister of the Environment, who said:

> There, the local fishermen have been prevented from starving during the winter months. But the Canadian taxpayer cannot be expected to foot this bill for ever. Naturally, we are looking around for someone else to take the government off the hook. I suggest this someone else is the polluter. He must pay the bill in respect to mercury pollution, just as the Electric Reduction Company Limited footed the bill in respect to elemental phosphorous in Newfoundland in 1969.

Perhaps before termination of the debate the government will express in clear terms its present policy in this respect. There is need for a comprehensive review of the appearance of mercury in the Canadian environment, and surely this must be orchestrated by the federal government. Notwithstanding the fact that we have a mercury problem of crisis dimensions, with many known factors, there continue to be many unanswered questions related to mercury which require comprehensive research and, again, surely this is a role for the federal government. The necessity for such research becomes more readily apparent when government members attempt to defend the indefensible by exploiting gaps in our knowledge, for political advantage, rather than admitting the obvious: that a problem exists. This approach is about as logical as rejecting cancer as a disease entity because we cannot effect a cure in all instances and because large gaps in knowledge persist which will only be bridged through research.

I have referred to the federal Fisheries Act and to the Environmental Contaminants Act. Suffice it to say that the former has not been invoked at times when it would have been constructive, and the latter requires amendments if it is to accomplish the goals for which it was introduced.

As I indicated by examples at the outset, and more specifically by the mercury problem, the entire attitude of the federal government toward the health of our native people is deplorable and is tantamount to negligence. I know the Minister of National Health and Welfare is aware of the health status of native people, yet minimal corrective action is taken. Finally, I must emphasize that the mercury problem does not exist in isolation but is a prototype for innumerable environmental health hazards, many of which are directly related to occupations, but an equally large number are of potential risk to unwary Canadians. However, this is another topic. I have discussed this problem in the House on previous occasions, and simply reiterate at this time that there is clearly a role for the federal government to assume responsibility for the co-ordination of an effective program for environmental health problems which are clearly distinguishable from the traditional health problems identified with our health care system, which has been a provincial responsibility.

From the point of view of long-term planning, I was particularly disappointed that the Minister of National Health and Welfare rejected the fifth recommendation in the interim report entitled "Exposure to methyl mercury in Grassy Narrows and White Dog reserves". Dr. T. W. Clarkson, professor and director for the centre for environmental health sciences of the medical school of the University of Rochester, called for the establishment of a national centre in environmental health to deal with environmental health hazards from methyl mercury and other pollutants. I spoke of a similar concept in this House on February 26, 1973, utilizing the national problem of drug and alcohol abuse as an example, and I suspect that this reasonable and responsible recommendation by Dr. Clarkson will receive the same attention and will gather the same dust!

I should like to conclude with one quotation from a favourite book of mine. Incidentally, the author was a physician. It is from "The Story of San Michele", by Axel Munthe, which I recommend to all hon. members. In a special preface for the American edition, he wrote:

> The greatest writer of short sensational stories I know is life. But is life always true?

Mr. Speaker, I will await the government's response to his observation and his question.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Turner): It being one o'clock, I do now leave the chair until 2 p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Wally Firth (Northwest Territories): Mr. Speaker, before I begin my remarks on the important topic before the House, may I congratulate the hon. member for Lambton-Kent (Mr. Holmes) for the excellent speech he made before lunch.

Some of the aspects of mercury poisoning relate to the poisoning of fish in the lakes, rivers and streams of this country. I have had some experience in looking after fish—believe it or not. In my office I have a couple of goldfish in a bowl. Every day I clean out the bowl and put in fresh water and food. Every day the fish eat the food, use its energy and put the waste product back into the water. There is no filter or pump in the bowl, and you can imagine how the bowl looks at the end of the day. It is so cloudy you can hardly see the fish. But that is all right for the fish, because it is my responsibility to come in the next day and flush out the bowl.

I think hon. members have been talking about the same sort of problem which troubles my fish. The difference is that no one seems willing to take the responsibility of flushing out our much larger fish bowl. There is another difference, Mr. Speaker. In our case the fish who make the water dirty are not the same fish that have to live in the water.

Hon. members will, I am sure, talk a great deal about mercury pollution and the poisoning of fish by mercury. Human beings consume these poisoned fish. But that is not our only concern. Most of us know that mercury-poisoned fish are eaten by bears, seals, otters, wolverines and other forms of wildlife on which our native people depend for their living. Really, what we are talking about is not new in Canada and is not restricted to Ontario and Quebec. For a number of years we have known about the presence of mercury and other industrial pollutants right across the country. We have known about this, but today we still quarrel over jurisdiction and liability. If we are to let the Minister of Indian Affairs and Northern Development (Mr. Buchanan) lead the way, we shall probably end up quarrelling over freezers.

Let us look at part of the record. In the Maritimes, as far back as 1971 officials in Nova Scotia were setting up task forces and other government agencies to examine how mercury was affecting the swordfishing industry. That was five years ago. We have just heard about conditions in Quebec, the province in which a company was allowed to dump mercury in quantities greater than the government's new regulations allowed to be dumped. They did this for a whole year after those regulations went into effect. Four of the people who show symptoms of Minamata disease live downriver from that plant.

I have heard some researchers claim that if and when the government releases enough money to do a thorough study of northwestern Quebec, we shall find that all that region is contaminated by mercury. If we move to Ontario, we can isolate three separate areas which are contaminated by mercury. The northeastern part of the province is contaminated, including Lake Timiskaming. The water from that lake drains into the water of the Ottawa River which flows just behind your chair, Mr. Speaker. Still in Ontario, there is the English-Wabagoon River system. Mercury from these waters has caused symptoms of Minamata disease, as other hon. members have already pointed out. What is more, we have known about mercury contamination in the area for over five years. Then there is the St. Clair river, the first place, I think, to feel the effects of mercury pollution. We have known about that, too, for over five years.

I now come to Manitoba. That province is polluted by the same source of pollution which affected northwestern Ontario. We have know about mercury in Lake Winnipeg since at least 1970. Manitoba can also boast—if that is the appropriate term—of mercury pollution in two other river systems, the Saskatchewan and the Red rivers. We knew about pollution in those rivers as far back as 1970. Of course, Saskatchewan is represented on our list by the Saskatchewan River.

Then there is Alberta. If you read *Time* magazine of September 26, 1969, you will find a little story about mercury contamination in that province. It seems that mercury-based fungicides used on seed grain was the source of that contamination. It caused 100 per cent of the upland game birds tested in the southern part of the province to have mercury levels in their blood between 5 and 16 times greater than the maximum acceptable level. We knew about that in 1969, Mr. Speaker.

Then there are a couple of candidates for our list from what they call God's country—British Columbia. Back in April, 1970, the government had to close Upper Howe Sound to all fishing because of mercury contamination from a chemical plant in Squamish. Just to prove I am not being prejudiced, when I make this little list, I will throw in some examples from my own constituency. We seem to specialize in arsenic in Yellowknife. In 1969 researchers knew about it and did not tell anyone. We have mercury, too. In Yellowknife, in 1975, researchers from the National Indian Brotherhood found two little children who had excessively high levels of mercury in their hair. We also have fish with some of the highest readings in North America around Great Bear Lake and Tuktoyaktuk.

● (1410)

That is only a partial list, but it comes from right across the country. Right across the country we have documented cases of mercury contamination going back five and six years. We know what happened in Minamata, and we know that it takes over 100 years for a river system to flush itself of this pollutant. If we knew all these things, why in the name of all that is holy did we wait until 1976—when we have documented cases of congenital Minamata disease—to have a debate in this House? What has the government done in all the years that it has possessed this knowledge? Nothing, Mr. Speaker—nothing but the bare minimum to protect itself from obvious charges.

I would like to recommend that hon. members opposite pay a visit to some of the native communities affected by this pollution, or at least to look at pictures of victims in Japan. Then they would get an idea of what this disease does and how painful, crippling and long-lasting the symptoms are. Then there is the most unjust thing of all about this pollution, the victims. Who are they? It is not the plant owners who must live with the fact that their children will never be able to speak to them. It is not the members of Canada's "go-go" consumer society who will have their livehood taken away. They will not be forced to live the soul-destroying life of welfare hand-outs. It is not the people who produce the chemicals, or who consume them. The people who must bear this pain, this incredible cost, are native people. It disgusts me.

These are people who have learned to live with the land; who treat it as the source of their life and their culture; who respect the land. They are the ones who are being forced to pay this price. They are paying it so someone else can sell newsprint cheaply in New York, so someone else can benefit from the sale of our mineral wealth abroad. That is what this kind of pollution is, Mr. Speaker. It is a kind of tax, a kind of hidden cost of operation. We are living high and paying very little for it right now—at least most of us. The people who are picking up our tab for the free and irresponsible ride we are taking are native people. They choose to live a life close to the land, and when we destroy that land we destroy them. I cannot think of a slower, more agonizing way to destroy a person than Minamata disease.

Members opposite have chosen from their ranks an insurance salesman to look after the affairs of Indians. They tell me that insurance salesman are pretty good at figuring odds, longshots and that kind of thing. Well, if his department knew about the possible damage that mercury could do five years ago, they sure played a longshot. They gambled that if they did nothing, nothing would happen. They were wrong. They did nothing, and we now have children who are being born with Minamata disease. This happen because the honourable insurance salesman opposite does not understand the land. He and all the others like him are too busy developing frontier resources to worry about the mess they left behind in the last place they visited.

What they do is bash away to capitalize on undeveloped natural resources with adequate or untested technology. That is the cause of this problem. If the silver mine owners in northern Ontario had known in 1910 what they were doing with all the mercury they were dumping into the lake, if a responsible government had known the reaction, then we would not be in this situation now. However, they did not know, we are in this situation, and we still have not learned. We still have not learned because the expert on the longshots over there is still "gung-ho" on using untested and inadequate technology in the north. He is gambling that the same thing that happened with early chloralkali plants and silver extraction methods will not happen with the new technology in the north. He just does not understand what land means to native people. Look at the half-hearted solutions he has come up with. In Quebec, he and the people like him are going to make up for the lost protein by shipping in freezers. They ship in these freezers and then expect that extra moose and beaver caught during the hunting season will replace the fish. Well, by my rough calculation this method will wipe out the entire moose and beaver population in a very short time. That is what I call long, range planning! In Grassy Narrows the plan is to go with the freezer trick and add a lot of welfare. Eventually they are going to relocate the people. This is typical of the mentality displayed opposite: if you dirty up the fishbowl, so what, just move on. We native people know that you cannot just move on, and people like the insurance salesman over there will have to learn it soon. When they have finished leaving their mark on the Arctic, there will literally be no place left to move. They will have to start living in the sediment of their own fishbowl.

[Mr. Firth.]

There has been a lot of buck-passing on this issue between the provincial and federal authorities. The responsibility clearly lies across the aisle here. The problem crosses provincial boundaries; it is a federal matter. The problem involves disruption of whole economies, and that is a federal matter. The problem involves native people; that is a federal matter, too. We have had five years of governments closing down fisheries, sending in freezers and grand welfare schemes. Why did we not see money, large amounts of money, committed to research into a means of stopping the destruction caused by mercury in the nervous system? Why did we not have pollution inventories in all areas where the possibility of mercury and other heavy metal pollution exists? We knew about it over five years ago. If we had done it then, maybe one or two of the people who now have Minamata disease would be healthy today.

Why, in 1972, when the new regulations for mercury came into effect, was there any mercury allowed at all? Everyone knew at that time that the chloralkali process was becoming outdated. Everyone knew that as soon as the present equipment had been written off it would be replaced by a process that did not use mercury. Why did the government not ban it entirely then? It would have cost the pulp and paper industry a lot of money, for one thing. They would have had to replace all that equipment early. But what has it cost the Cree of Mistassini? What price do you put on a child with congenital Minamata disease?

For 400 years native people have tried to help the European adapt to this land. It was easy at first. He needed our food and our ways to survive. However, we were unable to teach them one thing: you cannot destroy the land because the land sustains you. Now that we are one step away from filling this continent completely, I hoped that this lesson would have been learned. Apparently it has not. Look at it this way. We have tried to maintain our culture, based close to the land, for 400 years. It has not been easy. We have paid. Goodness knows we have paid. We have been forced to share our land with a culture that tried to assimilate us—tried to make us like them. Well, it did not work—at least until they invented this new tactic of destroying the very basis of our lives. It does no good to give us fish from other lakes. It does no good to give us welfare and take away our self-respect, and no good to move us to another place. These things do no good because we know that you cannot move away from your own fishbowl once you destroy it.

● (1420)

The government should finally start to act, to assess the damages where they belong, that is, on the companies that

did the polluting in the first place, and from the public purse because the public allowed it to happen. We should have massive funding to work with the Japanese to find ways of containing mercury in both the environment and in the human nervous system. We need the development of alternate economies where our own have been destroyed, economies that will give native people their livelihood without the extremely high cost of welfare.

For a long time the government has allowed criminal negligence to occur and, Mr. Speaker, we do not need any more freezers.

Mr. Frank Maine (Wellington): Mr. Speaker, the motion before us today focuses on the critical problem of pollutants and in particular on mercury poisoning. I should like to deal primarily with the technical aspect of this problem and try to illustrate the perspective of the problem with respect to time—relating what has been going on, why it has and is taking the time it has and is taking, and what results there are and can be expected.

This is an area which primarily relates to research and development. One of the big problems that I have found in parliament in Ottawa is that most people do not know what research and development is, how it works and how long it takes. Research and development is not like a water tap that you can turn on and off. You can turn if off all right, but it will take seven years to turn it on again and get results. That is a good example of the time it takes to get results when tackling a serious problem such as this one and all the problems of pollution that face us in this generation.

There are several problems of pollution which are extremely important—asbestos, with the problem of asbestosis and radiation, especially natural radiation where you have radium which decomposes into radon, and radioactive gas. Government and industry have tackled this problem. In the mining of uranium ore, Eldorado Mines has installed extensive ventilation equipment to remove the radon gas in order to prevent miners being exposed to it. There are lead and arsenic and the problems of pollution and poisoning that have resulted from their use and abuse. We have learned more about them and how to eliminate the problem. On the question of organic phosphates, it is not too many years since Shell was bragging about TCP—tri-cresyl phosphate—in gasoline. Now, a decade later, we realize that this is a serious chemical pollutant which causes serious toxic problems which have to be dealt with. We are now trying to come to grips with the problems of organic phosphates.

The Great Lakes is another classic example of a problem that took years and years to develop before it was finally recognized and action was taken. Even though a tremendous amount of work is being done on the problem, it will take many years to clean up the Great Lakes, the worst one being, of course, Lake Erie. Although a lot of work has been done over the last decade, a great deal more still has to be done. The signs are, however, that we are beginning to win this terrible battle on pollution.

The motion before the House primarily deals with mercury and I will concentrate most of my remarks on that problem. It is only one of a vast array of pollutants, however, that we have to deal with. To illustrate how seriously the federal government considers this problem, I would point out that the federal Department of the Environment is the largest technical department of the federal government. There are many times when I wish other departments had more money to spend on technology and people to do research and development. This is an important area of the environment, however, and the federal government takes it seriously.

Is mercury a new problem? Is it a new material? Far from it, Mr. Speaker. You will recall that the manufacture of hats involves mercury. You will have heard the term "as mad as a hatter", or you may remember that in "Alice in Wonderland" there was a character called the Mad Hatter. The madness was due to mercury poisoning. When mercury is ingested it goes to the brain, the liver and the kidneys. It has deleterious effects on the brain that result in madness. Mad hatters have been known for a long time. Government and industry finally realized the danger and took steps to eradicate it. In 1947, as a result of the joint effort of government and industry, the mercury process for the treatment of rabbit fur in the making of hats was discontinued and an acid-carotin process was used to treat fur for the manufacture of hats. Mercury is no longer used in the hat industry and we do not have that pollution problem.

There are several sources of mercury, Mr. Speaker. The natural sources are the degassing of the earth's surface, evaporation by wind action, and volcanic action falling again on the earth's surface as rain. These sources contribute up to 50,000 tons per year—no small amount, Mr. Speaker. The contribution from manufacturing processes is about 10,000 tons per year, or one-fifth of what occurs naturally, both organic and inorganic. These come from various sources such as the chloralkali process which contributes about 25 per cent, the electrical industry which contributes a further 20 per cent, the paint industry which is responsible for 15 per cent, control and measuring devices a further 10 per cent, and the balance from such uses as dentistry where you have mercury amalgam, and detonators which use mercury fulminate.

Mercury is also released in the combustion of fossil fuels. Mankind may liberate up to 20,000 tons of mercury per year in the environment both as organic and inorganic mercury. This may be localized in hot spots where you have combustion—near mines, smelters, chemical plants and other areas of large-scale combustion. Mercury contamination on this earth is not due only to manufacturing, commercial and industrial uses. What are the levels of mercury that we must be concerned about? No element on this earth exists in zero concentration. Sometimes the amount is very difficult to measure, but we should know the problems and the limits. In humans, mercury is measured both in the blood and in the hair. Twenty parts per billion is now regarded as the maximum acceptable level although 100 parts per billion was the previous level, now this is retained as the lower level of the "at risk" group.

Mercury turns up in fish. I will explain more about how that happens later. In uncontaminated water—water completely removed from any commercial source of mercury pollution anywhere in the world—fish are produced with a range of mercury of .03 to .2 parts per million. So with no mercury contamination from an industrial source there

will still be residual mercury in fish. There is no such thing as fish without any mercury content at all. The question is, what level is safe? The lower level recently suggested for fish when it forms a significant proportion of the diet, as with the Indian people, is .2 parts per million. The maximum level of tissue mercury acceptable in fish for commercial purposes is .5 parts per million. I will to refer to these levels later, but I wanted to put them on the record as a frame of reference.

The knowledge of how mercury gets into fish is very recent. In the fall of 1969, in Sweden, two scientists discovered that metal mercury in biologically active water such as that found in rivers very slowly converts into methyl mercury. Methyl mercury is a very toxic substance which is absorbed by many biological creatures, including fish.

● (1430)

It was in 1969 that for the first time it was realized that what had originally been thought of as inert material, metallic mercury, was able to change into a very toxic poison and get into the biological system. In the following spring of 1970, a few months later, action was taken by the provincial government of Ontario which launched a legal action against several companies in the chemical producing area near Sarnia, Ontario. The action was launched against Dow Chemical of Midland, Michigan, Dow Chemical of Canada in Sarnia, and against Wyandotte Chemicals of Michigan. Unfortunately, that legal battle is continuing to this day and is still not resolved. One of the reasons for this long delay is that a statement of claim had to be filed and was not filed until last year. The defence could not file their claim until a claim had been filed by the claimants.

Although the court case is not yet resolved, this did not stop the company from taking action, and it immediately took preventive measures to curtail the leakage of mercury from these mercury cells that were producing chlorine and caustic soda, or sodium hydroxide, in the Dow plant at Sarnia to the levels prescribed by the provincial government. They gathered as much information as they could, as quickly as possible, and came to appreciate the problem involved in trying to keep mercury down to a negligible level. They had to reduce it down to a teaspoonful a day, but still felt that was not satisfactory; so they ended up spending $40 million to replace this process by a diaphragm process whereby no mercury is used at all; the electrolyte mercury in this chlorine cell is changed to salt brine which is used instead. With no mercury in the process, there is consequently no mercury contamination or pollution.

It was the decision of the company to spend $40 million. This is no small expenditure, as I am sure hon. members will appreciate, and caused the company several problems in coming to this decision. This action was taken in 1970 and the new process, the diaphragm cell, was completed in 1973. In that year the mercury cells were closed down and the buildings torn down. So that Dow Chemical of Sarnia no longer has any chlorine cells in the mercury process, or any mercury pollution.

What was the result of that mercury going into the river system? Some of it very slowly, as we found out, became methyl mercury and was picked up by plant life in the

[Mr. Maine.]

area, consumed by the fish life and was incorporated into the liver and brains of the fish. The people downstream from this are the Chippewas of Sarnia, some of them living on the reservation on Walpole Island. There are 1,400 people located in the Lake St. Clair area. Several samplings were taken during the early 1970s and these confirm that there was a problem there of mercury pollution. Blood samples have been taken for quite some time, as recently as November and December of 1975. Of these recent samples, which are part of an ongoing program, 162 results were obtained. Some 150 were under the 20 parts per billion level and only one was over the 50 parts per billion level, indicating a serious problem. So that 150 out of 162 results proved to be well below the level prescribed by the health officials. A health education program has been started and persons with levels over 20 parts per billion are being retested and will be retested every three months. A review of the dietary habits in this area indicates that there is little reliance on fish as the principal source of protein, and therefore a protein replacement program was not required, as it has been elsewhere in Canada. That gives the House a few details as to what one company has done, how it was done and how it fits into the total program.

The federal government, with provincial co-operation, has taken a number of steps over the past five years to deal with the health threat posed by high levels of mercury found in fish that are the staple diet of Indians living in boreal areas. In a joint statement last September, the Minister of National Health and Welfare, the then Minister of the Environment, and the Minister of Indian Affairs and Northern Development expressed the federal government's continuing grave concern regarding the health threat to Indians who continue to catch and eat fish known to be contaminated with mercury and outlined further measures being taken by the government to deal with the problem.

The ministers indicated that the federal government had taken steps to deal with mercury pollution problems in two areas, Dryden in northern Ontario and Quévillon in northwestern Quebec, and to head off similar situations elsewhere. Fish taken by the Grassy Narrows and White Dog Indian bands from the Wabigoon-English River system are unsuitable for human consumption due to mercury contamination. The Dryden Chemical Company is known to have discharged significant quantities of inorganic mercury prior to the institution of effluent controls. Similarly fish consumed by the Cree Indians in the Waswanipi-Lac Quévillon area of northwestern Quebec have been contaminated by mercury from natural and industrial sources, including the Domtar complex. The health threat arose as a result of inorganic mercury being converted to toxic methyl mercury by bacteria in bottom sediments and entering the aquatic food chain and accumulating in fish tissue.

The ministers outlined a program that has been carried out with the co-operation of the provincial authorities in regard to health protection measures. Several measures are being taken and I should like to list them for the House. One has been a mercury control program which was instituted beginning in 1970. A second measure was inspection programs by the fisheries and marine service of the Department of the Environment to ensure the safety of all fish products marketed in Canada. A third measure

involved the departments concerned carrying out for several years a campaign for educating the Indians in the two areas about the true dangers of eating contaminated fish. These areas were closed to commercial fishing in 1970 and have remained closed since that time.

Fourthly, Mr. Speaker, a health team familiar with the mercury problem has been working in each of these areas. Fifthly, alternative food is being provided to the Grassy Narrows and White Dog bands through the co-operation of the provincial authorities and the Department of Indian Affairs and Northern Development. A similar program is being developed for those affected in northwestern Quebec.

Sixthly, the province of Ontario has identified lakes where Indians can fish safely for food, and community freezers are being provided to store these fish. The last measure undertaken concerns economic development opportunities, including the establishment of a canoe manufacturing facility and shoe factory, which are being pursued with the assistance of other federal departments.

The Department of National Health and Welfare began to monitor the levels of mercury in humans in northwestern Ontario and northwestern Quebec in 1971 when the levels of mercury in fish were found to be above the limits permissible for human consumption. Mercury levels in blood and hair samples were found to be elevated in persons with a dietary history of significant fish consumption from contaminated areas. As a result, an educational program was commenced in both areas warning people to stop eating the contaminated fish.

In addition, a group of Indians from northwestern Quebec who had blood levels in excess of 100 parts per billion of mercury was admitted to the Montreal Neurological Institute for a complete assessment. A similar group from northwestern Ontario was investigated in Winnipeg. In addition to routine hospital tests, detailed neurological examination as well as electromyelograms and nerve conduction studies, electroencephalograms, audiograms, visual field determinations and blood cytogenetic studies were carried out. No findings specifically attributable to methyl mercury excess were detected. The results of these tests were reported to the persons concerned and made public in summary form.

● (1440)

There is no known effective treatment for damage to the nervous system caused by mercury poisoning. Japanese experience indicates that mercury poisoning may develop from chronic exposure to mercury, even at relatively low blood mercury levels. For these reasons and because the mercury levels in fish caught in the areas concerned will remain unacceptably high for some years, even with controls on further pollution, National Health and Welfare has based its health protection efforts on warning the people not to eat contaminated fish, while monitoring their health status. The Department of Indian Affairs and Northern Development, with provincial co-operation, has arranged for the provision of fish from alternative sources in northwestern Ontario and is developing similar plans in northwestern Quebec.

On finding in 1974 and 1975 that blood levels of mercury in some individuals in both northern Ontario and northwestern Quebec were still in excess of 100 parts per billion, and even above 500 parts per billion in three people in northwestern Quebec, the education and monitoring program has been intensified. Dr. Tom Clarkson, an international authority on mercury toxicity, has been engaged by National Health and Welfare and has conducted an epidemiological assessment of the problem on the reserves in northwestern Ontario. An interim report was released in January of this year.

In addition, a fully equipped departmental mobile laboratory has been set up so that on-site blood and hair analysis can be carried out. Local practitioners are co-operating in the program. The Department of National Health and Welfare is sending in medical specialists, neurologists and opthalmologists to assist the health team on the reserves in screening for signs of mercury toxicity. A nutritionist is counselling the people on diet supplementation and compiling dietary histories.

The Acting Speaker (Mr. Turner): Order, please. I regret to inform the hon. member that his allotted time has expired. He may continue with unanimous consent.

Some hon. Members: Agreed.

Mr. Douglas (Nanaimo-Cowichan-The Islands): On a point of order, Mr. Speaker, I understand that as the person replying to the main mover, he is entitled to 30 minutes.

The Acting Speaker (Mr. Turner): It is my understanding that the Minister of Regional Economic Expansion (Mr. Lessard) will be the main government speaker.

An hon. Member: What is that tie you are wearing?

Mr. Maine: Mr. Speaker, I have been questioned about my colourful tie today. It is a cub neckerchief. I should like to interject and explain that today, from the riding of Wellington, we have 75 cubs who are present in the gallery. I have the distinct honour and privilege of being one of their cub leaders.

Some hon. Members: Hear, hear!

Mr. Paproski: You can sit down now.

Mr. Maine: I understand that priorities on the opposite side of the House are not in respect of public welfare and public well-being.

To continue, in northwestern Ontario, community people have been hired to intensify the educational program using local approaches in getting across the importance of not eating fish taken from contaminated areas. Working with community health representatives, health professionals and health educators, they have developed an audio-visual program and have commenced a household by household campaign. Similar programs are being developed in northwestern Quebec.

The government is looking for co-operation from the native associations and native leadership to assist in explaining the problem to the native people. The government has encouraged and supported the involvement of the native people in efforts to come to grips with the problem. Government support has included the provision of funding

for a visit by a native group from the Dryden area to Japan to see at first-hand situations in Japan where the established case of mercury poisoning in a fish-eating population has occurred.

A previous environment minister said that regulations controlling the discharge of mercury in chloralkali plant effluents were enacted in early 1972. The Dryden plant began operating in 1962; the Domtar plant at Quévillon in northwest Quebec has been operating since 1967. From the time the control requirements were initiated, mercury losses in chloralkali effluents have been reduced to 1 percent of pre-control levels. In general, levels of mercury in fish from the English-Wabigoon Rivers system have decreased from average levels of 4 parts per million to approximately 2 parts per million since mercury control regulations were instituted. The plant at Dryden was converted to the non-mercury process in November of last year.

Although direct discharges of mercury to receiving waters have been drastically reduced during the last three years, ministers are concerned with the large amounts of mercury discharged during past decades. Bottom sediments of some river systems are contaminated with mercury. That contamination undoubtedly continues to find its way through the aquatic food chain. Considerable effort is being devoted at this time to finding solutions to this problem. Fisheries and marine service scientists at the Freshwater Institute in Winnipeg are examining mercury in various levels of the ecosystem in the waters of northwest Ontario in order to determine the rate of disappearance of mercury from the environment.

During my tour of the fisheries laboratory in Halifax last month I was able to learn that mercury studies have been conducted there on harp seals in conjunction with the University of Guelph. They have been detecting and determining the effects of mercury on seals and the mercury poisoning of herds, since it is known that these seals have had a high content of mercury and have been eating fish contaminated with mercury. The program was completed after a year of study and the results have just been reported.

Studies also at Halifax are going on in the area of cod where their reproductive system is being investigated to see if this may not be one of the factors contributing to the depletion of fish stocks off the maritime coast. Other contaminants are also being looked at at the same time. In addition to mercury, this includes arsenic, cadmium, polychlorinated biphenyls and organic phosphates which I mentioned earlier. Ministers noted that the problem in northwest Quebec was more difficult to deal with because there are high natural levels of mercury in the waters of certain lakes and rivers. In addition, the Indian people of the Waswanipi area have a nomadic lifestyle that involves a broad area and with few fixed communities.

In conclusion, Mr. Speaker, I should like to go on record as disagreeing with the mover of the motion who said that the government is inactive and has done nothing. I think I have shown by my comments that the government has been very concerned, very active and has an ongoing program.

Some hon. Members: Hear, hear!

[Mr. Maine.]

Mr. Maine: Not only has the government been active, but advisory groups to the government have also been very active. I would like to refer to the Science Council report "Policy and Poisons" which was started a month ago and deals with five areas of pollution which are of great concern. These five areas involve lead, asbestos, a group of organic chemicals, oxides of nitrogen, radiation and, of course, mercury. This study should be finished in a year's time and covers various legal, social, technical, economical, industrial and environmental aspects of the problem. I think I have adequately proved that the government is active, as is the scientific community. A great deal has been done, much is being done and a great deal still has to be done and I am sure will be done.

Mr. Bob Wenman (Fraser Valley West): Mr. Speaker, I should like to begin today with a quotation from Solzhenitsyn, who said:

> I used to think that experience of life can be handed on from one nation to another and from person to person. But now I am beginning to have my doubts about this. Perhaps everyone is fated to live through every experience himself in order to understand.

How true that rings today after the experience of Japan. The Minamata disease was so clearly evident, so clearly misunderstood and misinterpreted here in Canada. I think we should begin by looking at the problem briefly.

We have just heard a dissertation about the great things being done by the government of Canada. That speech flies in the face of the expert witnesses who appeared before the committee. They gave a more true and more accurate picture.

Some hon. Members: Hear, hear!

Mr. Wenman: Who were those witnesses? I speak today neither as a chemist nor as a scientist of any kind. My references are not from politicians but are from the great academics of our nation and nations abroad.

● (1450)

I shall quote the expert testimony of Dr. Peter A. Larkin from British Columbia, and Dr. Louis Azzaria from Quebec. From Ontario I shall quote Dr. Clarkson. I shall also quote the environmentalist writer, Ms. Smith. Testimony was presented before the committee. At the committee it was stated that the World Health Organization safety level for mercury in fish has been set at .5 parts per million. Testimony showed that Canadian waters register at ten times that. The government even has conceded that the levels in some areas of Canada are 15 to 30 times greater that the safety level in respect of mercury pollution. One case at the White Dog reserve is described where the blood level of an infant at birth was 100 parts per billion. Other tests showed that it would take 100 years for the environment naturally to process the mercury currently there to a state that would reach the international standard set by the World Health Organization.

What do we see? We see that it will take 100 years just for the natural dissolution of the mercury in our environment. In answer to my question whether there is an overall increase or whether the increase is stabilized the expert witness said that it is certainly going up. So we are not

merely talking of the problem of today, but an increasing problem. He said:

> If we compare the figures of the thirties with the figures for the seventies, there is a fourfold increase. So we are certainly going up. That is the direction we are going.

That is the specific and expert testimony. In addition to that and other testimony, I might quote from Dr. Peter Larkin, who said:

> I think it might interest the committee to know, that there is, to my knowledge, no comprehensive review of the occurrence of mercury in the Canadian environment, and a review would be desirable.

Dr. Azzaria says:

> The important issues are the people who have been affected by mercury poisoning—They have definite cases of mercury poisoning. This is where the priority lies.

Ms. Smith, co-author of "Minamata", says:

> —both in Minamata and previous outbreaks in Japan—the effect was not noticed in the human population until several years after contamination had begun.

We heard other testimony from the government side to the effect that the blue fin tuna caught off the east coast of Canada is not allowed to be consumed in Canada, while we do export for consumption in Japan, of all places. We hear from Dr. Azzaria that some of the mercury has been transported aerially long distances from important industrial centres in North America. We heard, also, that there has been very little variation in the Greenland ice sheet between the year 800 B.C. and 1952. There had been very little variation in the increase in mercury contamination, while in the period 1962 to 1965 the concentration in that icefield doubled.

These are just some of the statements which show that the problem is not in hand. The solutions are neither known nor implemented. The fact that this is so is a condemnation of the government of Canada for its ineffective action in respect of this program. We have just heard a scientific-dissertation by a chemist. I want to say to the members of this House that this is not merely a matter of chemistry or a dissertation. Let us look at the problem that really exists. As I stated in respect of an earlier quotation, this is a problem in which somehow it seems that everyone is fated to live through every experience himself so to live. I hope no member on the opposite side of the House will ever have to live through Minamata disease.

I still feel they have an obligation to try to understand the feelings of the people suffering from this disease. In that respect, I shall send to the hon. member for Gander-Twillingate (Mr. Baker) a book of pictures that will help him understand—because he is a member and parliamentary secretary—the feelings of the people who suffer from this disease. Let us look at some of the quotations. What does this disease do? How does it affect the human body? I shall quote again from the expert evidence of the witnesses. This is an indication of what Minamata does in relation to the human being who suffers from it. In extreme cases you can see a person having terrible convulsions, with twisted limbs, and collapsing. However, in most cases what happens is that there is a severe inability to co-ordinate. If you want to reach for a glass of water, you have to be able to think very hard to be able to move your fingers.

Then there is further testimony to this effect concerning what Minamata is like and how it reacts. Children are born completely crippled, with very severe mental retardation. They are often blind, with twisted limbs. They are unable to walk, unable to eat on their own, and so on. The children born after the occasion in Japan are now attending regular schools. It is found that there is a mental deficiency of 29 per cent, and much higher percentages of sensory disturbance and co-ordination problems. These are the real problems which exist and which we must learn to feel and understand. We learned that Lake Winnipeg, the St. Lawrence River, Lake Erie, Lake St. Clair, the Ottawa River, the Saskatchewan River system, and the Red Deer River were only a few of the major bodies of water in Canada polluted to a significant degree with mercury.

Worst of all is the English-Wabigoon system near Dryden in northwestern Ontario and northwestern Quebec. Residents in both these areas show dangerously high concentrations of mercury in their blood and hair, and some display the early symptoms of Minamata disease. Mercury poisoning, or Minamata disease, occurs when inorganic mercury, usually from chemical factories, is discharged into bodies of water and lodges in the bottom sediments. There it is converted by bacteria into toxic organic mercury, which works its way up the aquatic food chain to man. It then attacks the neurological system, leading to physical deformation, mental deterioration and eventually death.

In pregnant women, excessive levels of organic mercury can lead to abortion or to the birth of mentally retarded or congenitally deformed children. No one knows the true extent of mercury pollution in Canada. In the cases of mercury poisoning that we are aware of, the federal government has attempted to shift the responsibility to the provinces. As Mrs. Smith put it: "I have seen something that I would have to call extreme inaction." That is a description of the government's program that was described to us earlier today. What needs to be done? Dr. Larkin summed it up this way:

> In particular, there are needs for research on how you might remove mercury from fish in processing them for human consumption, research on medicines that might increase the rate at which people might eliminate mercury that they had taken into their food. There is particular need for research on techniques of removing accumulations of mercury from bottom sediments in rivers and streams. There is need for search concerning safe levels of human consumption of different forms of mercury, the rates at which they are eliminated and the kinds of damage they do, including the effect on unborn infants.

● (1500)

> I think it is important to realize that the research that is needed on mercury is of a very sophisticated nature. It is the sort of area in which I would think it was essential that there should be federal involvement . . .

I also think there should be federal funding. Certainly such research programs are cheap at half the price when you consider that in Japan corporations and government have paid out $83 million in claims to victims of this disease.

In addition to that, while we recognize the need for long-term research, as Ms. Smith also said, we need to recognize that now is the time for immediate action to ensure that people do not continue to consume contaminat-

ed fish, because there is evidence that this is occurring at present.

We also require an immediate and comprehensive review. At present there are such unrelated reviews with respect only to water, but we should move far beyond the surveillance and examination of water because we find that the basic sources of from 40 per cent to 65 per cent of mercury in the environment are unknown.

In addition to a comprehensive review we must examine the monitoring systems and we must police them better. We were told in the testimony before the committee that at present the monitoring systems are not standardized. The tests that are taken are ineffective, inaccurate, and deceptive because they are taken at times of the year when mercury levels are low and in areas where people are not eating a full diet of fish. So the monitoring program, as stated so ably by the hon. member for Lambton-Kent (Mr. Holmes), should be reviewed, and if time allows me I will go into that in detail in a few minutes.

Let us look at government action on these programs. It seems to me that the action of the government has resulted in inaction, or at least inadequate action. Let us look at what its supporters did in committee. When we sat in committee, what was the response of our counterparts on the Liberal side? There were attempts to discredit witnesses and attempts to block motions calling for further and full investigation into this matter.

Mr. Baker (Grenville-Carleton): Shame!

Mr. Wenman: Not only that, but we hear that the government has withheld information from the House and this committee. A direct quotation from the testimony states—

Mrs. Holt: Shame!

Mr. Wenman: The hon. member who feels that these are clichés I am sure understands—

Mrs. Holt: I said "shame". Your House leader keeps saying "shame" every third word.

Mr. Wenman: It is this government that should be ashamed. They should hang their heads in shame.

Some hon. Members: Hear, hear!

Mr. Wenman: Instead of saying "shame" why do you not read the minutes and listen to our speeches? If you did, you would condemn the government, as we must do here today, because we should not have to have this debate in the House of Commons. We have it because you refuse to listen to the native people who have Minamata disease. It should never have been necessary. It is the kind of attitude displayed by the government that has made it necessary. The hon. member had better be prepared to answer the following question. Perhaps she will stand up and say a few words in answer to my question. The witness stated in the committee:

This report was written in 1972 and investigation was begun in 1975. There have been allegations that this was not made public until 1975. I think this should be clarified.

Some hon. Members: Hear, hear!

[Mr. Wenman.]

Mr. Wenman: Why was the government afraid to let this come out in the debate? What was this information about, and why was the investigation into the source of the distribution of mercury into the environment of northwestern Quebec not made public sooner? Perhaps the hon. member will answer this question. Government members were afraid that we would bring this information to the public through this debate. We hope that through this debate we will force this inactive government into action.

Some hon. Members: Hear, hear!

Mrs. Holt: Don't use such negative words. Be more positive.

Mr. Wenman: I appreciate the intervention of the hon. member who says, "Be more positive". I have been positive. I have made positive suggestions. I hope the hon. member will use the energy which she is using here to prod the cabinet ministers who are not here today into action. I have great concern and feeling for people with Minamata disease and for the fisheries, the water, and the resources of Canada.

Mrs. Holt: Be more positive.

Mr. Wenman: I understand that today it will not be possible to have here the three cabinet ministers who are most closely involved in this problem, but surely we could have had one minister present during the debate, surely one could be here to respond to what we have to say on this problem. Perhaps the hon. member opposite will send them a copy of *Hansard* and ask them to read it so they can hear about this problem.

The president of Dryden Chemical Limited asserted that effluent mercury had been reduced to about one fifth of an ounce per day last year, and yet the Ontario government report contradicts this and states that the level of readings ranges from 60 to 60,000 times the normal level. We have given industry too much credit for their conscience, and unfortunately it will be necessary for the government to monitor them much more severely. The government has brought in mouthpiece legislation such as the Contaminants Act, which sounds great, but how effective it is was shown by the fact that mercury pollution in this country is not stabilized, is not decreasing but increasing.

I could go on for a considerable length of time but there are other hon. members who wish to speak. I should like to conclude by stating that the distant call of the ancient loon is disappearing from wilderness lakes and is being replaced by the hollow cries of Minamata disease victims as they cry out to a distant, cold, and incomprehensive government. I call on the government to see these people today, to listen to them, to hear them, and to hear the cries of their afflicted brothers.

Some hon. Members: Hear, hear!

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I welcome the opportunity to say a few words in this very important debate on the problem of mercury pollution in Canada, especially in northern Ontario, a region which I represent in my constituency of Sault Ste. Marie. The concern that many of us have on a nation-wide scale has been dramatized recently by the revelations of mercury

poisoning in the water systems of northwestern Ontario, especially in the White Dog and Grassy Narrows Indian reserves.

● (1510)

One does not have to dramatize mercury poisoning. Anyone who has witnessed even still photographs of what that does to the nervous system and how it creates deformity in human beings, and anyone who has seen films of victims of this kind of poisoning will know that it is a dreadful and shattering experience to see fellow human beings in fits of convulsion because of an industrial pollutant like this which has been allowed to go into our river systems, into fish, and hence into the human food chain.

This disease is not new. It has been thoroughly researched in Japan because there have been hundreds of victims of mercury poisoning there, and the native people of northwestern Ontario and elsewhere have been concerned about the pollutants which large industries have been pouring into the air and also into the water systems. Evidence of mercury poisoning has been building up in the Grassy Narrows and White Dog reserves for a number of years, and despite the evidence and the current revelations, especially the testimony on Minamata disease of expert Japanese scientists who have visited the native people, we see the companies responsible ignoring their responsibility and denying that they have anything to do with the pollution problem.

We see governments not taking action to clean up the pollution mess or to compensate the native people for the loss of their jobs and the destruction of their environment. We also see the general public which, except for a brief "tut, tut" when it sees a newsfilm or reads an article, lapsing back into complacency about this very severe problem which is destroying the livelihood and the health of a number of Canadians.

I weigh what I am going to say with careful concern and consideration, but I believe that had this been a white community at White Dog or Grassy Narrows, this mercury pollution problem would have been cleaned up years ago.

Some hon. Members: Hear, hear!

Mr. Symes: It is an indication of the latent racism of Canadian society which says that as long as it is out of sight, society is not concerned, and if it involves Indians or native people, society is even less concerned. That is indicated by the lack of action of both the federal and provincial governments. If it had been a white community, there would have been such a public outcry and such concern among our political leaders that we would have seen the environment cleaned up very quickly, and we would have seen the proper compensation forthcoming.

Mrs. Holt: That is cheap racemongering.

Mr. Symes: We have only to remember the situation at Port Hope to see how quickly the government moved to provide compensation and clean up facilities.

Mrs. Holt: Mr. Speaker, I rise on a point of order. I am deeply concerned that in a House which should be as responsible as this one should be, there is deliberate racemongering, and I resent it very, very much.

Some hon. Members: Hear, hear!

Mr. Symes: I said that I weighed those words very carefully and I could not find any other conclusion to be reached that explains the inaction of the government when human lives are at stake. That has been going on for years. This government knows it, and so does the provincial government. What other explanation can there be for this lack of action and this lack of concern?

While I commend the federal Conservative party for raising this issue, I wish it also had taken some action and used the influence it has in getting the provincial Conservative government of Ontario to take some positive action in its areas of jurisdictional responsibility.

Mr. Dinsdale: That is the purpose of debate.

Mr. Symes: We know that since 1960 mercury has been put into the Wabigoon and English River System by the Dryden Chemical Company, a subsidiary of Reed Paper Ltd. In May of 1970 the Ontario government announced that the mercury pollution problem was not serious in this area and that it would go away in a few months. We have heard expert testimony that it will take at least 100 years for the river system to cleanse itself of this dangerous pollutant.

In 1973 the Ontario Conservative government put up signs saying "Fish for Fun" for all the people who were fishing in that river system. The native people of these areas do not fish for fun, they fish for their livelihood, to feed themselves and their children, and that kind of callous action is little compensation or relief for people who depend on fishing for their well-being.

In March of 1975 the Ontario government sent letters to reserve residents telling them either to eat no fish, to eat less fish, small fish, or fish with lower mercury levels. Where is responsible government concern demonstrated in that kind of action and advice for the native people?

In 1975 Japanese scientists familiar with Minamata disease visited the Grassy Narrows reserve and began investigations to prepare a report to prod political leaders to take some action and clean up pollution, but what did the provincial minister of natural resources, Leo Bernier call them? He called them a travelling pack of troubadors. That is how the provincial government viewed respected scientists and their concern for the problems of the native people.

In April, 1975, evidence showed that the Dryden Chemical Company had been emitting seven and a half pounds of mercury per day into the river system, whereas the native people and the rest of Canada had been assured by the government that the amount was only a few ounces per day. We have, supposedly, effective anti-pollution legislation at both the federal and provincial levels to give governments power to regulate pollution in terms of discharge into the air or into the water system. If seven and a half pounds per day, which exceeds the maximum level, is being emitted, why is that allowed to go on? Again, the answers are not forthcoming. It is indicative of a callous indifference on the part of the provincial and federal governments.

The provincial government offered freezers to the people on the reserves to store non polluted fish or to encourage them to hunt for game and other food sources. As my colleague, the hon. member for Northwest Territories (Mr. Firth) pointed out, that kind of policy would deplete the animal food supply in the area within a few short years.

In terms of human health I have pointed out that the disease is a terrible one for any human being to suffer. There has been research in Japan, Sweden, and Canada to try to bring about a solution to the problem. Despite the fact that so much research has gone on, the frightening thing is that much of it has not become public knowledge or implemented, and that the results of that research are not used to solve the problem. There was a five year test program on the Grassy Narrows and White Dog reserves. There was a joint Quebec-federal government mercury investigation in northwest Quebec. The report was presented in 1975. The federal Department of National Health and Welfare sponsored environmental research to study the blood and hair tissue of people living in areas which were thought to be contaminated. We have all these reports, but still no action.

The National Indian Brotherhood has conducted its own independent study. It has made recommendations, and still, except for more pious promises that further research will be done, there has not been effective action to control this dangerous pollution problem. The governments at both levels are aware of the problem but they deny their information to the native people. They have told the native people to be patient, that more research must be done, and that the problem is not as serious as they think. In the meantime we see more and more evidence of children, men, and women having symptoms of mercury poisoning or Minamata disease. It has affected the health of native people, their whole livelihood, their incomes, and their standard of living.

● (1520)

I now wish to put on record the story of Mr. Joe Payash, a 30-year-old man with seven children, who lives on Grassy Narrows Reserve, northwestern Ontario. In the story to which I am referring he explains the economics of the reserve. This man, Mr. Speaker. is taking welfare for the first time in his life. Last summer he was a guide at one of the fishing lodges. He will probably return next summer despite the dreadful knowledge that the traditional shore lunch of mercury-laden fish he must eat each day with the tourists who have hired him may some day kill him. He is paid $24 a day for guiding two people in a boat, and has done it all his life. Today he has stomach pains and a tightness across his chest, which may or may not be symptoms of mercury poisoning. He does not know. The last time his blood was tested he was told he had 210 parts per billion of mercury, a dangerously high level. The currently acceptable maximum level believed safe by the Ontario government is 100 parts per billion. As he says, "But it's the only way I can work, the only way I know how to earn a living."

It is not good enough to send freezers so that the native people may store non-contaminated fish. It is not good enough to say to them, "We need to do further studies." It is not good enough to say to them that we cannot enforce our environmental laws, and it is not good enough to tell them we don't know if the Dryden chemical plant is the polluter. Those people face economic ruin while the government delays and does not bring forward adequate programs which can help to redesign the economy of those affected areas.

It is interesting to note that the native people of those reserves now live in a state of welfare because, through no fault of their own and because of lack of effective environmental laws in this country, an industry has polluted the river system from which they gained their livelihood. Before 1969 the total welfare budget on White Dog Reserve was below $50,000. By 1974 the budget had risen to $162,000. Similarly, on Grassy Narrows Reserve the total welfare budget in 1969 was about $30,000. By 1973 it had risen to $122,000.

We have heard stories of the social disintegration of families and neighbourhoods in the area, of people turning to drink in desperation, of alcoholism which is rampant and increasing, of increased violence involving assault and shooting, of husbands and wives separating and children suffering because homes are broken, all because the government has not accepted responsibility, or has not made private industry accept responsibility for destroying the livelihood of these people.

In the limited time available I will try to make positive suggestions as to a course of action the federal government can take. The federal government cannot pass the buck and say this is a provincial responsibility, because the English-Wabagoon river system crosses the provincial boundaries and therefore comes under federal jurisdiction. The federal government has the power, under environmental laws, to get tough, and it will if it seriously wants to do something about the problem. It can say to polluting companies, "Clean up." The federal government can introduce legislation which will make the companies compensate the victims of the pollution the companies have caused. It is not good enough to slough off the problem and say that the companies have not polluted. The problem is there. The companies have polluted. It is time they accepted their responsibilities.

The federal government can assist the companies to install better equipment which will prevent pollution of the environment. It can do this by passing laws and, if necessary, by giving tax incentives to speed the process. As well, we can adopt some of the suggestions made by the Japanese scientists who visited northwestern Ontario. Their recommendations, based on their expertise and experience, are well worth-while. They recommended as follows:

1. . . . Stop all consumption of the contaminated fish and make the natives aware of the seriousness of the situation.

2. An intensive and indepth examination be performed on all the inhabitants of the area by competent and experienced physicians.

3. That such a study be carried out under the auspices of Dr. Newberry, the reserve's resident physician, because he understands the situation and is knowledgeable about the Dryden-Kenora mercury pollution problem.

4. That native people and other concerned citizens ask for comprehensive compensation to pay for the damage to the health and life style of the Dryden-Kenora residents.

5. 'Continue and promote the co-operation and exchange of experience with the victims in Japan, as well as with the supporting experts, domestic and foreign.'

6. All data on mercury pollution be made public, especially to those concerned.

7. Participation of natives in the decision making bodies dealing with White Dog-Grassy Narrows mercury pollution.

Acting on such suggestions can do more to solve the problem and help the native peoples than all the government's pious platitudes, past programs, and readings from government press releases. It is not good enough for government members merely to talk. The problem is there. It is the result of government inaction. I call on the members of this House and the people of Canada to make sure action is taken to save the health and livelihood of the natives of Grassy Narrows and White Dog reserves, and of other areas of Canada which are affected by such pollution.

[*Translation*]

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, first of all I wish to inform—hon. members that if the Minister of Environment, the hon. member for Langelier (Mr. Marchand), cannot be present in the House this afternoon to hear and take part in this debate, it is unfortunately because—and he apologizes—he had to fulfil a commitment he undertook some time ago. Of course he tried to cancel it but it was impossible, and I ask you to accept his apology. He asked me to take part in the debate and to make note of the representations and opinions expressed by the various members so that we can discuss the matter next week. And I can assure you that his officers will carefully examine hon. members' comments.

Mr. Speaker, I wish to inform the House that although the government's colleagues and critics seemed to indicate that the cabinet was not worrying enough about this environmental problem and about the damages that pollution may cause in many fields, particularly the one to which today's motion is addressed, mercury. I must say that the federal government and the cabinet, and I am sure that applies also to all my colleagues on this side of the House, are very concerned about the problems of pollution. The Department of the Environment employs the most scientists, and they have been working regularly for several years at analysing all causes and effects of pollution. It suggests to the government and its various departments the actions and the precautions that it should take to put a stop to the pollution which has happened throughout the years because of a lack of foresight and also maybe a lack of knowledge. It is particularly important to prevent this pollution from continuing and to reject new formulas or technologies which could endanger the environment.

Of course, it is easy to criticize. However, it is not so easy to apply solutions which take into account not only pollution, but also several economic factors. I would like to congratulate the hon. member who proposed the motion now before the House since it allows the House, of course, but also members of the press, through the information media, to make the population more aware of the need that governments must now face, the need for the population to support and understand the action that all levels of government must take to solve the problem of the environment.

It is not always easy to impose measures to fight and prevent pollution because these measures often restrict freedom and increase business installation costs. Also in many cases, and I am now talking as minister responsible for Regional Economic Expansion, several industrial business construction or expansion projects are postponed for a long period and even abandoned because estimated costs to meet the requirements that we now impose on industries are such that the profitability of the business is placed in jeopardy. Naturally, businesses must then postpone their project.

I think it is normal to stiffen requirements in this area, and the Department of Regional Economic Expansion has become more and more demanding in the last few years, and each time we are in doubt about an application, we refer it to the Department of the Environment so that it can make a recommendation on the proposed investment. This delays the examination of applications and I even receive criticisms from promoters on the one hand, and representations from my colleagues in the House on the other hand asking me why we delay so much in making the decision. Because of this analysis process concerning all the implications of a particular study we must sometimes delay our decision.

● (1530)

Mr. Speaker, in the 60s some very complex environmental problems imputable to mercury appeared in Japan and Sweden. This prompted environment experts in Canada to launch in 1969-70 a national inventory of mercury uses and its risk for the environment.

As there was a possibility of contamination of mercury treated seeds, the experts started a North American wildlife study. Following that research and particularly the study by the Canadian Wildlife Service, Agriculture Canada prohibited the use of mercury based longicides in 1970-71 under the terms of the Pest Control Products Act.

By the end of 1969, after serious warnings concerning the incidious mercury pollutions in the central provinces, the Fisheries Research Board of Canada launched studies aimed at controlling the contamination level of fish. Several takes of fish from Lake Winnipeg, Saskatchewan River, Lake St. Clair and Lake Erie contained up to nine parts per million of mercury, which instigated the provincial authorities on the advice of the federal department of fisheries and forests to close several commercial fishing zones throughout Canada. At the same time, provincial governments made rod fishermen aware of the risk inherent in eating fish from some areas. On the other hand, the efforts aimed at preventing a high consumption of contaminated fish among the local population was not a complete success.

As is was already recognized in Sweden, it was established that mercury contamination came mainly from industrial sources. A good number of pulp and paper mills used mercury derivatives in their process. When the inquiries demonstrated the seriousness of the mercury problem in North America, the pulp and paper industry voluntarily stopped to use mercury cells as early as 1969-70 which eliminated mercury discharges in the environment, except for minimal quantities related to combustible raw materials and chemical products.

The chlor-alkali industry that produced chlorine from mercury cells was also identified as major source of contamination. In December 1970, the federal Minister of the

Environment asked that industry to reduce voluntarily its mercury wastes, while legislation was being drafted. Generally speaking, the industry co-operated and the mercury discharged in liquid from, estimated at almost 148,000 pounds a year in 1970 went down to about 6,000 pounds annually as early as in 1971, and to 800 pounds a year over the period from 1973 to 1976.

In March 1972, Mr. Speaker, Environment Canada edicted regulations on mercury waste from chlor-alkali plants. Under the Fisheries Act, those regulations limit the quantity of mercury the plants can discharge into the receiving waters. Taking into account the technique available to the industry, the maximum rate of discharge of 1 millionth part of mercury for each ton of chlorine produced has been set as the standard. Since May 1972, all chlor-alkali plants file daily reports on their discharges, as well as their purchases of mercury, regardless of what use it made of it.

Over that period, Environment Canada officials have met the representatives of several companies to discuss their mercury control programs and their compliance to the requirements. In addition, the plants have been supervised by provincial authorities or staff members of the Department of the Environment in order to check the data they have supplied.

According to the files of the department, direct discharges of mercury into water streams have been reduced to a level corresponding to about 1 per cent of that at the time the problem was discovered. Those files have also demonstrated that the total consumption of mercury by chlor-alkali plants is only about half what it was before 1970.

● (1540)

In spite of that substantial reduction, we consider the present consumption as being much too high. The plants have been unable to provide a complete report on their mercury consumption. This summer environment Canada expects to table regulations establishing mercury discharge standards for chlor-alkali plants under the Clean Air Act. The discharge of mercury in the atmosphere by chlor-alkali plants using mercury cells have been estimated at 26.4 tons in 1970 and at 12 tons in 1975. It should be reduced at 2 tons yearly as a result of the application of new measures against air pollution.

We are also trying to find a solution to dispose of dirt and solid wastes from chlor-alkali plants. The most widely used procedures are burying and filling up, but there is also a mecury recovery procedure used by a small number of Canadian plants. We are convinced that regulation and procedures for mercury recovery will reduce mercury use and provide a better control.

In 1973, the CIL plant in Hamilton and the Dow plant in Thunder Bay closed down, and the two Dow plants in Sarnia have phased out their mercury cell system and switched to the diaphragm cell which does not use mercury. In 1975, the mercury cell euipped Reed Paper Company plant in Dryden began using the diaphragm cell without mercury. With the implementation of regulations establishing mercury emission standards for chlor-alkali plants, the old plants will have to convert gradually from mercury cell to non-mercury systems.

[Mr. Lessard.]

Of course, we are aware of the other mercury contaminating sources, such as municipal sources, resistant paints, electric appliances, batteries, as well as mercury emanations from foundries and coal combustion. Added to this industrial contamination is the mercury from natural sources which is found in movement in our waters. The department is carefully monitoring and assessing the mercury from those sources. In addition, it has been evaluating the mercury content in sediments, water, fish and wildlife in order to determine the trends and locate the areas where the problem is serious.

As a result of the steps taken by the industry and the government, I am glad to announce to the House, and I think we will all agree on this, that the situation is improving. A report to be made public shortly by the department shows that the mercury concentration in the waters of western Canada has decreased considerably in the early 70s. The improvement in the west are apparently due mainly to the regulations applicable to chlor-alkali plants, the prohibition of mercury-treatment for grain and the application of purification measures in the industry as a whole. Several areas which had been closed to commercial fishing have been reopened or show signs of reduction of the mercury content of the fish or other forms of aquatic life. Most of the sediments recently formed in the areas affected contain less mercury than those formed at the end of the 60s.

As a matter of fact, the programs of the department have been reasonably successful and markedly reduced the loss of mercury in the aquatic environment. However there are still mercury residues in sediments, mostly downstream from former industrial sources. Unfortunately, these residues will continue to contaminate water bodies and fish for many long years to come. To a large extent, human history is made up of a series of innovations to solve problems. Faced with a challenge, we react by solving the problem and by exploiting its solution. But now, we know the answers. We find that a great number of solutions we adopted have merely served to create further problems, often very serious, and we meet these problems in a great many endeavours of human activity. Regardless of the environment or other problems, our pas conduct comes back to haunt our future.

What we must do, both as individuals and as a society, is to learn to see beyond the immediate advantages derived from our actions, to learn to consider secondary and tertiary, and even more remote consequences. Of course, it is always difficult to evaluate. I know that it is not easy. However, we cannot afford to let immediate advantages outweigh long-term considerations. Too often decisions and measures have been made according to their primary consequences, namely the immediate benefits. These consequences often lead to a chain reaction of prolonged secondary and tertiary and even more remote effects and their public impact can neutralize the initial advantage.

Unfortunately, we have always taken so much time to discover or to determine the long-term effects that to a certain extent we have become the slaves of the immediate advantages and that we have integrated them in our culture. Thus, even before the obviousness of disastrous effects in the long run, it is sometimes hard for us to admit that our original decision was wrong and to try to find an

alternative. On the contrary, sometimes we remain fascinated by the short-term advantages and we try to make the system more sophisticated to prevent its long-term effects, as far as possible. It is obvious that we should be more careful, more rational while making our decision. We must look beyond the immediate benefits and attempt to assess the long-term effects. This choice will allways be hard to make.

In the environment area, we have begun changing the way we make decisions. It may be in the environment that the effects of short-term decisions were most evident. Several past benefits are becoming problems now—something we have learned not so long ago. Thus it was only in the late 60s that the results of our actions appeared, both for the planet and for ourselves. From then on, we started to progress, to make better decisions.

The first step was to meet immediate needs. Knowing the effect and the nature of air, earth and water pollution, our natural reaction was to take immediate steps to avoid and, if possible, repair the damage. To do so, we issued various standards and instructions governing the quality of environment and we also regulated some known detrimental operations. It was also the onset of a new technology to control the polluting elements at discharge.

It goes without saying that this approach, though valid, is not sufficient. We must undertake a second stage, prevention, and this is what we are now doing. We are now learning to assess the long term implications of our actions, the real future costs. This is extremely important, not only for the quality of our life, but for our very survival.

Both to set the pace and to increase its knowledge, the federal government through the Department of Environment has established an environmental assessment and review process for ongoing projects of which it is part and which are likely to affect the environment. Not only does the value of such a process lie in the progress which may stem from it but also in the fact that it is a first step towards a valuable consideration of the consequences of our actions.

It is obvious that this process is still in the early stages but it works. Its real value will depend on the way it will prompt others to adopt similar assessment mechanisms with regard to the environment and other realms of human activity. Rational decision making is being impeded whenever we do not have the necessary knowledge to proceed with valuable pre-assessments. For instance, we do not possess sufficient knowledge to delineate the border line between what is a hazard and what is not. We must always take costs and benefits into consideration.

Some people are against the use of aspirin, even if it has been easing the pain of many people for quite a number of years, and it will very unlikely be withdrawn from the market because of the pernicious effects it may have on a very small minority. D.D.T. is accepted by the body under a certain level, even if it can be dangerous for human beings as well as for other living organisms. But, if the use of D.D.T. had been forbidden 30 years ago because of its dangers, millions of people would have died in the meantime from certain diseases, and probably from hunger.

When we are unduly concerned over the unfavourable effects of a particular thing, we might forget about interesting innovations. So we must decide whether what we get from preventing some technological damage is more important than what we lose if we stop all progress. Mr. Speaker, the answer to this problem is, of course, research. If we agree that evaluations are essential, if we want to take the right decisions, we must be prepared to study very carefully the impact of each alternative.

Another very heavy constraint in this country is that of constitutional jurisdictions. The Canadian political system constitutes in fact a mosaic of various jurisdictions that often paralize us, or at least slow down decisions and action. To speak more clearly, in certain areas of activity decisions and actions by an administrative level have an important effect on others. This is particularly true in the area of environment. One of the annoying characteristics of agreements in that respect is the following: people coming under a particular administration tend to think that the outside harmful effects of their actions do not concern them. That is untrue, of course. We cannot allow jurisdictional limits to restrict the assessment of our actions. This would be abdicating our responsibilities.

Intergovernmental cooperation is a basic must in carrying out the urgent tasks of environmental management. Without that cooperation no political or institutional structure and no distribution of power and responsibility can work. So the essential key to success in managing tomorrow's environment is in short enlightened cooperation based on knowledge and respect for the respective roles of the various levels of government. The notion of development in harmony with nature is based on the application of ecological principles not only with respect to industrial activity but also all our institutions and our culture. Ecology, the science of system indivisibility and interdependence, requires a form of reasoning common to several disciplines and behaviour based on intercommunication. So there is place for symbiotic relationship between individuals, institutions, regions and states. We all know the interaction that exists within our ecosystem and, consequently, we can understand the overall meaning of the term "development in harmony with nature."

We want to elaborate a conceptual representation designed to promote development in harmony with nature in Canada. The basic concepts reside in the fact that ecological principles must permeate the essence of social institutions, culture, the lifestyle and industrial activities designed to provide the goods indispensable to survival. But if those concepts are to continue to exist, develop and take a concrete form, we must solve the main conflicts of national priorities.

Therefore we shall have to develop a social justice and live within the confines of restraints imposed by our environment. This is a fundamental duty: growth in harmony with nature must neither sacrifice the present for the benefit of the future nor the future for the benefit of the present. We must rather apply the wisdom of environmental principles to the development of social institutions, of a life generating system and of ways of livelihood. Mr. Speaker, we are all very aware—and I think Canadians are becoming ever more aware—of the importance of protecting our environment, but we must remember at the same

time that all governments and all Canadians are also willing to continue to have a standard of living, a quality of life which is among the highest in the world. This is why in this statement I emphasize this challenge, with which we are faced now, of properly assessing the impact of decisions we have to take both on the environment and the quality of life, the standard of living, indeed on incomes and our national economy as a whole.

It is always difficult to decide when confronted with such dilemmas. When a major industrial development is planned in an area or a province, or in the country, and that the economic benefits for the country and the area concerned are being considered, the effects it will have on the environment as a whole must also be weighed. It is always difficult to make a choice. Canadians, I think, can be assured that the present government will do its best to ensure that industries and various governmental agencies take all precautions so that industrial or other developments be carried out with maximum respect for the environment. And if we have no other choice, if it is obvious that the environment must substantially suffer from investments or the growth of an industry, the government will then have to make the difficult choice and refuse that such investment be made in the hope that they can be made in other areas which are equally productive, and which will naturally make a contribution to the economy, while respecting environmental requirements.

I thank hon. members for their contributions and the views. You will understand that I do not necessarily accept all the criticisms that have been voiced because I believe they were overstated in some cases, but on thing is obvious—today's debate, our exchanges of views will most probably contribute to promote the cause of environmental protection as a whole.

● (1550)

[*English*]

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, I want to commend my colleague, the hon. member for Lambton-Kent (Mr. Holmes), for moving this important motion today in which he censures the government for the shocking neglect of the problem caused by mercury poisoning. Frankly, as a member of parliament I am ashamed how little this issue has been raised in the House of Commons, and as a Canadian I am angered by the apparent low priority that the government places on the well-being of other Canadians whose health and lives are in imminent jeopardy.

I listened with a great deal of attention to the comments of the two government members who have spoken so far. I could not help but feel a little sorry for the role in which the hon. member for Wellington (Mr. Maine) has been cast. He is a colleague and friend of mine, and I have a high regard for him. I think he came to parliament out of a great sense of human concern for people in this country, and I am sorry to see him cast in the role of an apologist for the government in which he is required to rehash old government news releases, periodically injecting scientific jargon into them.

I was not, however, so surprised by the minister's performance. If the translator translated what he had to say correctly, he explained it was his responsibility today

[Mr. Lessard.]

to make excuses—that is the word the translator used—for the Minister of the Environment (Mr. Marchand) who could be with us today. Certainly making excuses is precisely what the minister did.

The minister says that the Minister of the Environment had other appointments which he could not break, that he had a responsibility to attend them and that he could not be with us here though he would have liked to be. If the minister says that is the case, I accept it. But where is the Minister of National Health and Welfare (Mr. Lalonde), and where is the Minister of Indian Affairs and Northern Development (Mr. Buchanan)? Surely their stake in this is every bit as great as that of the Minister of the Environment? I am appalled that when an issue like this, which comes before parliament so infrequently, is raised the ministry is able to put up only one minister to speak in the debate, a minister who has no direct jurisdiction in the matter and whose role is to act as an apologist for the government.

Listening to the government spokesman one would feel, if one believed everything that was said, that either there really is not all that much of a problem, or that it will go away by itself, or with the assistance of the great initiatives that have been taken by the government. Frankly it rings a bell in my mind, in fact it was rung this morning when my colleague, the hon. member for Lambton-Kent quoted a speech of the Hon. Jack Davis when he was the minister of the environment. This was the quotation that my colleague read, and I would ask other members of the House of Commons to compare this statement with statements that have been made by government apologists so far. He said:

> Fortunately we have caught our mercury problem in time. We have caught it before there has been any real danger to human beings. Once spotted, we have closed the fishery. Either that or we have bought up all the fish and had them destroyed. Nothing has escaped the watchful eye of our federal inspection service, a service which is regarded the world over as tops.

Mr. Davis may be gone, but his speech writer lives on. We have been able to see today that he is still well employed in the ministry and certainly has contributed a great deal to the speeches made by members on the government side so far.

Other members on this side have or will be dealing with the health, Indian affairs, environmental and fisheries aspects of this serious problem. In my remarks I will try to address myself primarily to the jurisdictional considerations in order to establish that the federal government has now, and it has had for some years, all the constitutional and legislative authority it needs to deal with mercury pollution. Sadly, what it does not have is the will to do so.

Before considering this question of jurisdiction, however, perhaps in order to bring the effects of federal neglect into sharper focus I should briefly describe the effects of mercury poisoning upon human beings. Dangerously high levels of mercury contamination have been found in the blood of a number of people in northern Ontario and northwestern Quebec, and the early symptoms of mercury poisoning have already become apparent in some of them. Early symptoms of mercury poisoning include a numbness and tingling of the mouth, tongue and limbs, with the accompaniment of tunnel vision. A

Minamata disease victim experiences an inability to concentrate, an inarticulate manner, long periods of apathy, extreme fatigue, and emotional instability. The eventual outcome of this disease is the disfigurement of the body and finally death.

● (1600)

Resistance to mercury poisoning is greatest among strong adults, and while a pregnant woman may show no signs of mercury poisoning herself, she can pass high concentrations of mercury into her child within the womb. The newborn infant may show symptons of mercury poisoning. The symptoms include mental retardation and a condition similar to cerebral palsy.

The effects of mercury poisoning are progressive and irreversible. There is no room for error. The government must take a realistic and comprehensive look at this matter, or suffer the moral consequences of its inaction.

It is with a deep sense of regret that I, along with my colleagues, feel compelled to rise in the House today in order to chastise the government for what can only be described as an irresponsible and shortsighted mishandling of the mercury pollution problem which prevails in many of our country's inland waters. My investigation into the mercury pollution problem of this nation has revealed a shocking sense of complacency within the federal bureaucracy.

Government officials are anxious to convey to the public the impression that everything possible is being done in the federal realm to solve this problem. I regret to say that this is not the case. Although the government, at least since 1970, has been aware of heavy metal contamination in the Wabigoon-English River system, six years of discussion and testing have revealed that it has abdicated its moral and constitutional responsibility to effect a quick solution to this problem.

The federal government has skillfully used the principle of provincial property rights as a "catch-22" clause to free itself from responsibility in the cleanup of contaminated waters.

To date the government has been successful in leaving the impression that environmental concerns relating to the pollution of our nation's waters lie almost solely within the jurisdiction of provincial governments. When my office questioned Ontario environmental officials about the apparent jurisdictional problems between the province and the federal government, their reply was that no jurisdictional problem exists.

While provinces own the watersheds within their boundaries and exercise their jurisprudence with respect to property, the province of Ontario administers only the provisions for testing and reporting contained within the federal Fisheries Act and does not enforce that act's prohibitions and sanctions. Enforcement of that part of the Fisheries Act lies within the auspices of the federal government.

Present federal involvement in the area of mercury pollution includes the efforts of a number of government departments. The Department of the Environment has formulated chlor-alkali regulations for industry and conducts an inspection service for all fish products marketed in Canada. The Department of Indian Affairs and Northern Development exercises its jurisdiction over Indians on reservations by assisting projects intended to provide alternative employment opportunities for Indians dislodged from the fishing industry following the ban on commercial fishing along the Wabigoon-English River system. The Department of National Health and Welfare is monitoring mercury levels in natives of northwestern Ontario and Quebec, and is providing an education program to persuade Indians not to consume contaminated fish. Beyond these activities, the prevailing Ottawa attitude seems to be that further initiatives to clean up the problem must come from provincial quarters.

Federal footdragging in the area of mercury pollution is difficult to understand when one considers the long history of federal interest in the well-being of Canadian fisheries. One of the first pieces of legislation passed by the federal government in 1867 was the Fisheries Act. Section 91(12) of the British North America Act awards the federal government jurisdiction over seacoast and inland fisheries and gives it the competence to legislate in respect of pollution of waters in so far as pollutants adversely affect the fisheries. The anti-pollution provisions of the act were revised in 1970 to prohibit the deposit of, to use the words of the act, "deleterious substances" in any water frequented by fish or in any place where deposits may enter the water except as authorized. Under the provisions of this act the federal government may exercise its authority to establish national water pollution standards. In 1972 the Department of the Environment established national chlor-alkali standards for industry.

Both my colleague, the hon. member for Lambton-Kent, and I have read from the address which the Hon. Jack Davis, former Minister of Fisheries and Forestry, made to the Canadian Manufacturer's Association in 1970. Perhaps I could refer to that again. In that address he solicited support from the Canadian public for amendments to the Fisheries Act which pertained to water pollution. The minister declared:

> The polluter must pay . . . the industry which caused the problem must solve the problem. It must not only improve its housekeeping but also make amends for sloppy practices in the past. It must clean up its operation and it must compensate others who have been hurt by its negligence.

The Fisheries Act amendments have been in place since 1970, yet what has happened to the promise of federal action? The water resources of both the provinces of Ontario and Manitoba, in the case of the Wabigoon-English River system, were contaminated by effluent traced to the Dryden Paper Company's chlor-alkali plant in Ontario.

The Manitoba government has attempted to prosecute the Dryden plant under Manitoba law, and the Supreme Court has declared this unconstitutional. The fact that the Manitoba government failed in its attempt to prosecute the Dryden Paper Company for damage to Manitoba waters in the recent Supreme Court decision clearly reveals that the federal government must take responsibility for the problem. Yet no charges have been laid against the Dryden plant as provided for under the Fisheries Act, despite the fact that federal authorities clearly have the jurisdiction to do so. It seems that this tired Liberal administration is more prone to rhetoric than to action.

My office has enquired to ascertain why no charges have been laid to date. I am sure many members of this House would be interested to learn the reason. Frankly, the bureaucrats could not supply the answer. As a matter of fact the Department of the Environment did not seem to have many answers to supply about anything.

During my period of investigation into this matter the director of the water pollution control directorate was unavailable for comment as he was out of town upgrading his facility in Canada's two official languages and he will not be available for another six months. The director's assistant was unavailable as well as he was out of town attending a conference and would not be back for a couple of weeks. The assistant's assistant was likewise not in his office. Mr. Speaker, I must confess that I now harbour grave suspicions that the Department of the Environment comprises only a contingent of embarrassed receptionists. There can be little wonder why the government seems to resemble a rudderless ship.

Does the government not take the plight of Grassy Narrows and White Dog reserve Indians seriously? The government of Japan takes the problem of mercury poisoning very seriously. On Wednesday it was reported that two businessmen from the Chisso Corporation at Minamata were charged with the involuntary manslaughter of seven people who died of mercury poisoning.

In Canada, Section 176 of the Criminal Code may be employed where it is established that a common nuisance has caused physical injury to any person or has endangered the life, safety or health of the public. While it is not necessary to prosecute offenders at Dryden under the Criminal Code, it is essential that the government's conspicuous jurisdictional dodging be resolved.

Mercury pollution is a national problem. It has had its effects felt in at least nine of ten provinces and the territories. Witnesses testifying before the Standing Committee on Fisheries and Forestry on April 8 professed that mercury pollution is a growing international problem. Recent scientific studies conducted on the Greenland glacial fields indicated mercury pollution is a by-product of the world's growing industrialism. It is a long-term problem.

● (1610)

Canada has more to lose from unchecked mercury pollution than almost any other western nation. The Grassy Narrows and White Dog experience has vividly underlined the social and economic consequences of mercury pollution for our native people whose social structure is built upon a fish economy.

The Minister of Indian Affairs and Northern Development has displayed a shocking lack of leadership with regard to his handling of the problems at the Grassy Narrows and White Dog reserves. Although section 91(24) of the British North America Act places the well-being of Indians on reservations within the exclusive jurisdiction of the federal government, the Minister of Indian Affairs and Northern Development has been anxious to push his responsibilities on to other ministers. The minister has taken a very narrow view of this problem. This side of the House is not satisfied with the minister's makeshift solutions and evasions.

[Mr. Beatty.]

Along the Wabigoon-English River system many Indians are continuing to eat contaminated fish because the Indians doubt the sincerity of the government and because they really have little alternative. Thought must be given to moving the Grassy Narrows and White Dog reserves to a non-contaminated area if consumption of contaminated fish continues. To date, none of the minister's officials have proposed this possibility to the natives.

The Minister of Indian Affairs and Northern Development has a responsibility to Canada's northern peoples to demonstrate some concern and to urge his colleagues to cease their jurisdictional juggling. A great deal of research is needed to conduct further studies on all aspects of mercury pollution. The federal government must arm itself with expertise so that it may also deal with mercury poisoning in the international context. I understand environment Canada is currently conducting an internal task force examination to determine future research and development needs to deal with the mercury pollution problem. The federal government must co-ordinate and catalogue a national effort to gain the knowledge to deal with our mercury pollution problems.

The immense human and economic problems caused by mercury poisoning in Canada are clear. What is distressing is that the government's concern is not. Where there should have been action, there has been paralysis. Where there should have been explanations, there has been silence. And where there should have been basic concern for the health and lives of human beings, there has been indifference.

There is much about life in government which I have found challenging and stimulating, but I have also noticed that the day-to-day atmosphere of crisis here in Ottawa can distort a person's perspective and dull his sense of outrage at attitudes, policies, and actions that would offend deeply the average citizen. After a few years in this environment it becomes easy to view human tragedies as case histories, and human beings as simple statistics. We have heard that happen today.

I fear that it is that desensitization that has struck both parliament and the whole of the federal structure when it comes to mercury poisoning of human beings. That is the reason why the issue has come before parliament so few times, and it is an indictment of this institution that so little has been said about it in this Chamber.

The people of Canada are not indifferent to the human tragedies in northern Ontario and northwestern Quebec. They cannot understand and they will not tolerate the jurisdictional buck-passing that has taken place between federal and provincial authorities. The federal government has today—and it has had for years—all the jurisdiction it needs to deal with this problem. What Canadians from one coast of this country to another demand is that the government use that jurisdiction and act now before more damage is done.

Mr. Hugh A. Anderson (Comox-Alberni): Mr. Speaker, I am very pleased that the hon. member for Lambton-Kent (Mr. Holmes) has brought this matter before the House. While I disagree with some of the statements he made I think it is an excellent proposition to have such a subject brought before the House hopefully for a rational debate

rather than one full of sound and fury. It should be a debate not of condemnation but of rationale, because I am sure it is the intent of the House not to say that someone did something right or that someone did something wrong but that we are at a certain point in time, and let us go forward from this point.

The dangers of mercury contamination of the environment were first brought to the public's attention by two major tragedies in Japan in the late 1960's, one of which was instrumental in giving the effects of mercury contamination in the human body the name Minimata disease. Since this time the dangers and effects of this type of environmental irresponsibility have been extensively reported.

Canadian experience in this regard began with the dumping, between 1961 and 1970, of a considerable amount of mercury into the English-Wabigoon river system by the chlor-alkali plant of the Reed Paper Company in Dryden, Ontario. This matter is of concern to the Department of Indian Affairs and Northern Development because of the presence on the English-Wabigoon river system, and downstream from the Reed Paper Mill in Dryden, of two Indian reserves. These are the Grassy Narrows and Whitedog reserves. The concern of the Department of Indian Affairs and Northern Development in this regard was not expressed only in relation to the dangers posed to the health of the residents of these reserves, whose population now totals 916. It was also over the threat that the consequences of the mercury contamination of the English-Wabigoon river system would totally destroy the social and economic fabric of the Grassy Narrows-Whitedog Region.

Once the possibility of mercury contamination had been raised, the government of the province of Ontario in light of the dangers of this dumping practice, as evidenced in Japan, investigated and found that the levels of mercury in fish in the English-Wabigoon river system was some twenty times greater than the maximum safe level for human consumption. In 1970, therefore, the effluent from the Dryden mill was reduced by provincial order, commercial fishing in the English-Wabigoon river system was banned, and tests were conducted on residents of both the Whitedog and Grassy Narrows reserves in order to determine the affect on the inhabitants of the mercury contamination. The steps which have been taken to investigate and treat the effects of mercury contamination on the native population of the Dryden area were taken by the Department of Indian Affairs and Northern Development, the Department of National Health and Welfare, which on behalf of the Department of Indian Affairs and Northern Development is providing health care to the Indian population of the Dryden area, the Department of the Environment, and the appropriate departments of the government of the province of Ontario. Indian Affairs has, however, played a much more direct role in helping the residents of Whitedog and Grassy Narrows overcome the tragic effects of the mercury contamination on their economic and social traditions.

I welcome the fact that members on the other side have brought up the matter of the social and economic disruption, because in addition to being a health problem it is also an economic and social problem.

The mercury contamination, quite simply, kicked the props out from under the entire way of life of these people. Because of the high contamination levels in the local fish, all commercial fishing which had previously been one of the main occupations was halted. In addition, some of the guiding and tourist businesses on the English-Wabigoon river system closed their doors which have not opened since. The result was severe unemployment and severe dislocation in respect of the lives of these people. At Grassy Narrows, for instance, there are 78 employable males. However, after the collapse of the fishing and tourist industries, only 14 band members, or 18% of the total male labour force, had year-round employment. At Whitedog, the situation was worse. Equally tragic was the fact that the traditional food supply of the Whitedog and Grassy Narrows reserves was fish, the same contaminated fish from the same contaminated river system.

The Department of Indian Affairs and Northern Development, ever since this tragedy was first revealed, has worked hard on behalf of both the Grassy Narrows and White Dog reserves, and although the situation is still a most serious one—and, Mr. Speaker, I will not make apologies for the fact that it is a serious one, because it is and I will say so—considerable progress has been made.

With respect to the problem of providing an alternate food supply, several important steps have been taken. In conjunction with other departments, an educational program is being carried out to warn the band members not to eat fish from the contaminated rivers. The program includes letters to heads of household, and visit to all houses to discuss this problem on a one to one basis. I am sorry the hon. member for Sault Ste. Marie (Mr. Symes) is not present because he indicated, I am sure with no malicious intent—

● (1620)

Mr. Knowles (Winnipeg North Centre): He will be back in a minute.

Mr. Anderson: —that letters were the only thing that were sent out. However, letters were sent out, and person to person visits to every home in the communities were made. The development of a suitable Ojibway language audio-visual explanation program has been carried out, as well as the preparation of a 15 minutes videotape film in the Ojibway language. I think there has been some insinuation that this has been a very slap-dash presentation. I disagree, Mr. Speaker. This is not the intent of the department. They have provided what I think was a very well laid out and carefully thought out plan. The only further step that could be carried out is to have a department official present with each member of each family to make sure they do not eat contaminated fish.

I am certain that the native people have been provided with ample warnings through the one-to-one contact which has been provided up to this point. In addition, a local nutritionist has been employed to work with the bands in researching food supplies and providing dietary advice regarding alternate sources of food. A resident of each reserve has been hired to help the nutritionist and other government health staff, and regular meetings are being held with the band leadership to monitor the progress of the program.

The department has also worked to identify lakes which are free from contamination and which can be safely fished for food, as has been mentioned, and has provided community freezers to the reserves for the storage of mercury free fish which is caught, and also for the storage of fish which being trucked in from other areas by the Ontario government.

I would also like to point out to hon. members that the recent trip by five Indians from the Dryden area along with their advisers to Minamata, Japan, was financed by the federal government, with the Department of Indian Affairs and Northern Development, the Department of National Health and Welfare, and the Department of the Secretary of State all sharing the cost. This trip, despite the rather sensational coverage by the media, was a very important and very effective educational session and, I believe, has resulted in a much better understanding of the causes and effects of Minamata's disease on the native people in the area concerned.

I also noted that the hon. member for Sault Ste. Marie asked that the government take part in a five or six part program, one part of which was to be an exchange program with the Japanese. This has already been started, with the hope that the people in the affected areas will realize the dangers resulting from the eating of contaminated fish, and we hope this will be of some benefit to them.

I would also like to point out that it is not enough just to resolve the problems which have been created. We must also work for the future and try to restore some form of social and economic stability to this troubled area. This the Department of Indian Affairs and Northern Development is attempting to do through a wide ranging series of projects, both short-term and long-term, to help these people whose employment activities have been drastically curtailed. The fact that the health of these people has been affected must be taken into consideration, as well as their loss of employment opportunities.

In addition to the regular programs for economic development, which are of course available to all Indian bands throughout Canada, a number of specific projects have been initiated by the department to provide short-term employment for area residents. These include the development of local government administration and the hiring of a community worker for each reserve; work opportunity projects for brush cutting and road clearing and for the construction of docks and sheds for fish gear; tree planting; a school lunch program; a LIP grant for a garbage disposal program; training on the job moneys for such things as counselling and an economic development officer; the installation of water and sewage services for community buildings; and a general reserve clean-up and painting. These and other short-term employment projects have been provided in order to help bridge the gap between the severe socio-economic dislocation caused by the mercury contamination and the coming into effect of programs for more long-term employment opportunities. In all honesty I must deny that no funds were provided for the employment of these people whether on a short-term or a long-term basis.

Two of the proposals for long-term employment opportunities which should be mentioned are the canoe factory and the shoe factories. Ground work has already been laid for two shoe factories to commence operations on reserves in the Dryden area. One of these will be located in Grassy Narrows. A feasibility study has also been initiated to investigate markets and production cost factors for the possible manufacture of fibreglass canoes, also at Grassy Narrows.

I mentioned earlier that as a result of the mercury contamination only 14 members of the Grassy Narrows band—out of a possible 78 in the male work force—were employed at one point. This figure is now up to 42 persons and is an indication of the extent to which the socio-economic conditions on these reserves have been stabilized. While the department, along with other government departments, does not consider it acceptable, it is an indication of the direction in which employment is progressing on this reserve.

I think that the key factor for all hon. members to recognize is that the one thing we have learned in the Department of Indian Affairs and Northern Development is that you cannot come in with programs and dictate to the people in the areas what they should be doing for their well-being. I hope that we have learned that lesson and I think we have, because the only way in which the people of the area will develop into a socio-economic unit with a high employment ratio is as a result of the enthusiasm and sense of pride in their own communities which these people are exhibiting, and which I believe is now building up in these reserves. This will do more than all the assistance we can give them to ensure a stable future for this area. This is now happening and I have every confidence that the initiative and leadership which are now being shown by the Whitedog and Grassy Narrows bands will produce significant results in the months ahead.

Before closing I would like to discuss briefly the problem of mercury contamination as it relates to northwestern Quebec. The discovery of mercury contamination in this area from both natural and industrial sources has raised concern for the safety of the Indian bands in the area. In response to this an educational program sponsored by the Department of Indian Affairs and Northern Development on the dangers of eating mercury contaminated fish is being carried out. The Department of Indian Affairs and Northern Development, and the Department of National Health and Welfare are in the process of intensifying the dissemination of information related to mercury poisoning through the use of appropriate audio-visual material, band meetings, and seminars for community leaders and health workers. A joint nutrition committee is also being established by the two departments to research the most appropriate proteins to replace the contaminated fish.

The mercury contamination problem in northwestern Quebec is made more difficult, I am afraid, by natural levels of mercury in the waters of certain lakes and rivers, and also by the more nomadic way of life of the residents of the area as compared to the Indian of northwestern Ontario, as has been mentioned by one hon. member. However, the department is now carrying out a survey of the local labour force, educational levels, and skills acquired so that band councils, with the support of the Department of Indian Affairs and Northern Development, can plan and develop adequate and realistic solutions to the health,

social, and economic problems created by this tragic legacy of our modern industrial development.

I thank the hon. member for Lambton-Kent for having brought up this subject on an opposition day. I trust that we are realistic enough to realize that in the very complex society in which we live there will be substances which will be toxic and about which we are not aware at this date. I think it is the function of the government as far as possible to try to predict what these substances will be. However, when these matters do arise, surely the government must act with speed and dispatch.

● (1630)

The question raised by the hon. member is whether speed and dispatch have been observed here. When we are dealing with people we cannot go into an area, dictate what they will or will not eat, or what they will or will not do. This is done by a slow process of education and working with them. In that way these problems are solved, and in all sincerity I feel this is the way it has been carried out. This is the way it will be carried out, and I trust that in the future the people in these affected areas will have not only healthy lives but lives of full employment during which they can work as other Canadians, trusting that the approach of the government is the right one. If the solution is a slapdash method of trying to bring in quick relief without having basic studies done, I think that presents as much danger as we are being accused of allowing to exist at the present time.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I welcome the opportunity to participate in this debate, and I should first like to congratulate the hon. member for Lambton-Kent (Mr. Holmes) on his very thought provoking address on this issue.

We must ask ourselves, is mercury poisoning Canadians, and will Canadians die of mercury poisoning? I submit that these questions are of increasing concern because mercury can no longer be ignored as a lethal environmental pollutant. These questions demand our attention because some Canadians have blood mercury concentrations within the range associated with mercury poisoning in other countries, notably, Japan and Iraq.

There is no doubt that mercury can kill and maim. During the last two centuries an estimated 8,500 persons have been poisoned by mercury, of whom perhaps 700 died. Mercury poisoning must therefore be considered a hazard to public health wherever mercury is used and wherever mercury is discharged into the environment. This is certainly true for Canada, but so that the entirety of the problem of mercury as an environmental pollutant can be understood, wider aspects of mercury pollution, those relating to Canadian society, must be considered as well. Consider, for example, some of the effects of mercury pollution.

In industry vast quantities of mercury are used in a variety of technological processes. In 1967 world consumption of mercury was 7,364 metric tons, a large proportion of it being used by a few industrial nations. For example, the United States of America used something like 2,127 tons. In Canada chlor-alkali plants, pulp and paper mills and the electrical industry consume much of the total mercury used. For example, in 1969 chlor-alkali plants used some 100 of a total of 140 tons required by industry.

With this industrial use large amounts of mercury are discharged into the environment. Of the total of 7,364 tons of mercury consumed by the world in 1967, 2,573 tons were lost to the air and 2,045 tons, it is estimted, were lost to the waterways.

As well as having an effect on health, mercury pollution in Canada has had ecological, socio cultural, political, racial, and international implications. With other factors it has disrupted the lives of Indians and has radically altered their traditional way of life, for the fish on which so many Indians depend for protein have become contaminated with mercury discharged into waterways from chlor-alkali plants and paper and pulp mills. This is particularly serious in northwest Ontario and northwest Quebec. Not surprisingly, the sociological effects of mercury pollution have had a political impact, and federal and provincial authorities have been accused of making light of the dangers of mercury pollution to man and environment in Canada. Nor is it surprising that mercury pollution in Canada has had racial implications, for the Canadians who have the highest mercury concentrations are Canadian Indians.

Finally, there is an international twist. Japanese victims of mercury poisoning have allied themselves with Canadian Indians of northwest Ontario, as have Japanese environmentalists, in an attempt to help Canadian Indians bring their plight to the attention of the federal government. Japanese physicians with much experience in mercury poisoning have examined Canadian Indians and, convinced of mercury poisoning in these Indians, have taken a stronger line than have Canadian physicians on mercury pollution in Canada. Unfortunately there is as yet no agreement on the clinical diagnosis of mercury poisoning.

Mercury has long fascinated man. It was been dubbed a mineral of a perfectly singular kind. Ramazzini, the father of industrial medicine, spoke in the eighteenth century of the most cruel bane of all that deals death and destruction to miners and of course Lewis Carroll's Mad Hatter lives on as a symbol of the damage done to the nervous system by mercury. The Mad Hatter conjures up an image of poisoning due to inorganic mercury, and this form of mercury poisoning was for long the most familiar. Today, however, because of the burgeoning of sophisticated technological processes, it is poisoning from organic mercury which is of major concern. Methyl mercury in particular damages the central nervous system irreversibly and sometimes fatally. The experience of several countries merits the attention of Canadian professional people.

It was in 1965 that a Japanese factory doctor in Minamata, a small town on the western coast of Kyushu in southern Japan, reported that an unclarified disease of the central nervous system had broken out. Soon, some 30 persons were found to have contracted the disease, now known as Minamata disease, during the previous three years. Diligent investigation finally disclosed that the disease was a disorder of the nervous system caused by poisoning with methyl mercury.

The disorder appeared to affect only fishermen and their families in and around Minamata. The patients evidently ate large amounts of fish and shellfish from Minamata Bay

regularly, which were found to contain high concentrations of mercury, of the order of 5 parts to 20 parts per million. The concentration of mercury in the mud of Minamata Bay was related directly to the proximity of the sample tested to a plastics factory in Minamata which produced vinyl chloride, an inorganic mercury compound being used as the catalyst. A similar disorder was produced in cats by feeding them fish contaminated with methyl mercury.

Another outbreak of Minamata disease occurred in Niigata, Japan, in 1964 and 1965. It was virtually identical with the disease which had broken out in Minamata. To December, 1974, 798 persons in Japan had been verified as having Minamata disease, and of these some 107 died.

The Japanese experience is relevant to the Canadian situation because the Canadian Indians, in whom high blood concentrations have been found, are like the Japanese of Minamata, heavy fish eaters, and fish in some Canadian waters have high concentrations of mercury. However, the Japanese data are less useful than those of studies of methyl mercury poisoning elsewhere because blood concentrations apparently were not documented at the time of intoxication.

The experience of Japan and other countries is a useful but disturbing background to the Canadian experience, but the Canadian experience also is disturbing. Vast quantities of mercury have been dumped into Canadian waterways. Between May of 1972 and April of 1975 major chemical companies were unable to account for up to 65 per cent of the mercury purchased. One plant in northwest Quebec lost something like 7,437 of 11,248 tons of mercury during this period.

Evidence of mercury pollution of Canadian waterways has been available since 1969 when the South Saskatchewan and the St. Clair rivers were found to be contaminated. A contaminated river may require up to 70 years to cleanse itself through natural processes, so methyl mercury will persist in Canadian waters for many years to come.

Mercury concentrations in fish in some Canadian waters exceed the federally acceptable upper limit of 5 parts per million. In 1969 concentrations of up to 10 parts per million were reported in fish in the South Saskatchewan River, and since then concentrations several times 5 parts per million have been measured frequently in many Canadian waters.

Canadian Indians, like Japanese fishermen, are heavy fish eaters. If mercury concentrations in the fish eaten by these Indians exceeded one part per million, which has happened on some Indian reservations, the daily safe limit of 0.03 milligrams of methyl mercury will be exceeded.

● (1640)

High whole-blood mercury concentrations in Canadian Indians were first reported in 1970, when the maximum concentration of 385 parts per billion was found in an Indian of the White Dog community in northwestern Ontario. The following year Indians from the northwest Quebec communities of Matagami and Miquelon were found to have abnormally high whole-blood concentrations. Government authorities have been monitoring mercury contamination since 1971, but extremely high concentrations were reported as late as July, 1975. Not surprisingly, government authorities have been charged with being indecisive and slow to take action to correct the situation. In part, any indecisiveness of action stems from lack of agreement on what constitutes a positive diagnosis of poisoning.

A further charge directed at federal and provincial authorities concerns a wait-and-see attitude. Public opinion suggests that the policy is to wait until symptoms appear before it is admitted that Canadians are being poisoned by mercury. This attitude also is attributable to lack of agreement on diagnosis, but steps have been taken to reduce further exposure to mercury among the Indians; thus, fishing has been restricted, uncontaminated fish have been supplied to Indians, and extensive monitorings and research have been initiated.

The bulk of Canadians' food supply is, of course, free from hazardous mercury contamination, with some important exceptions. One important area where there is significant mercury contamination has already been referred to, namely, the fish in the English-Wabagoon and Bell river systems of northwestern Ontario and Quebec, which comprise the traditional food supplies of the two native groups discussed earlier. Another exception is swordfish, the sale of which in Canada and the United States is still prohibited because the mercury levels are higher than 0.5 parts per million. The published data confirms this point uniformly. An official of Environment Canada stated early in April, 1976, that the mercury levels in swordfish are regularly monitored and that they remain at an average of about 0.9 parts per million. This level has remained unchanged during the past five years. The official further stated that the level was not and is not expected to change, because the mercury in the oceans is from "natural" sources, as opposed to the preventable mercury pollution which comes from human sources.

The banning of swordfish sales in Canada after 1970 and the simultaneous ban on exports to the United States was especially damaging to my native province, Nova Scotia, whose fishermen caught almost all the swordfish for Canada. Landings alone in 1969 were worth more than $4 million. In a fisheries economy the value of these swordfish when exported was, of course, many times that figure.

In legal and biological terms the situation is quite clear-cut. Swordfish contain, on average, about twice the acceptable level of mercury, and it has been proven that almost all this mercury is present as methyl mercury. Further, there is every indication that this has always been and will always remain the case. In this respect the situation differs subtly from that facing inland fisheries, inasmuch as most of the inland mercury contamination originates from man-made sources. However, because swordfish are contaminated they cannot be sold in Canada. Because the U.S.A. has adopted the same 0.5 parts per million standard, the fish cannot be exported to that country, because U.S. federal law under the Federal Food and Drug Administration controls the importation of fish.

An anomalous situation has arisen in the United States with regard to the sale of swordfish. I point this out because individual states do not have to abide by federal health standards. Some states, namely, Maine and Massachussetts, allow their fishermen to sell their swordfish

catches within the state. But this fish is banned from inter-state commerce by United States federal law. Needless to say this situation is confusing to fishermen and confusing to observers in Canada, because of the double standard that it creates. However, state actions will have no overt bearing on Canadian sword-fishing, because United States federal law is predominant in matters of import and export.

A second anomaly is present in this situation. While swordfish or any species of fish containing more than 0.5 parts per million of mercury is not acceptable for sale in Canada, such fish can be exported to other countries, provided the importing country's standards of health protection allow the importation. Thus Nova Scotia fishermen may be free to export their swordfish catch to Japan, which apparently has a higher acceptable contamination level—an ironic situation, considering the Japanese experience at Minamata and Niigata. However, fisheries officials have stated that the Japanese, who catch their own swordfish off Japan, are willing to pay only about 25 cents per pound for Canadian swordfish, or about half the prices needed by our fishermen to make the venture economically viable.

When we consider that the known levels of mercury in swordfish are not greatly in excess of tolerable levels, it seems to me that some research should be undertaken to lower the mercury content in swordfish. This could be done through different processing methods. It seems to me that, as the world's population grows and there is a continuing demand for protein, some method must be found to use these fish which, landed, weigh anywhere between 25 pounds and as much as 500 pounds; it could be done by mixing the flesh of these fish with that of other, smaller fish which contain lower amounts of mercury. By doing this the mercury content could be brought down to the tolerable limit of five parts per million. Actually, this process is now taking place in the tuna industry.

Tuna containing mercury levels in excess of five parts per million are mixed with the smaller Bonita tuna, and the mixed fish is marketed as flaked tuna. There is nothing wrong with flaked tuna, and its mercury content does not exceed the tolerable limit of five parts per million. This process which may be examined by the fishing industry, government, and scientists gives us hope that, in future, the delectable swordfish may be processed in the same manner.

Finally, Mr. Speaker, the question of whether some Canadians are being poisoned by mercury is not easy to answer, but there is sufficient evidence that methyl mercury is harmful and that some Canadians do have unacceptably high whole-blood concentrations of mercury. Because of the sinister possibility of mercury-induced irreversible brain damage the current situation demands our full attention. I submit that action is required. What should be done?

First, the multidepartmental approach to mercury poisoning in Canadians should be replaced by one that is the responsibility of a single group. At present three governments, several government departments, at least one outside consultant, various local authorities, numerous neurologists and many other interested persons have separate responsibility.

In addition, various task forces and conferences on mercury contamination have added to the wealth of information now available on mercury poisoning. What is required is a cohesive effort to synthesize this information and the approaches of the past so that the Indians, the group mainly affected, can be given a clearer indication that a constructive approach will be followed.

Second, still more needs to be learned on the effects of methyl mercury, particularly its subclinical effects. Much of the information we have today is based on outbreaks of mercury poisoning elsewhere, the relevance of which to the situation in Canada is not entirely clear. Much more basic research is required into the problem of dose and response; and more epidemiologic research is needed concerning, for example, the degree to which mercury poisoning is irreversible, and autopsy findings in those known to have been exposed to high mercury whole-blood concentrations.

Third, it is desirable that differences between Canadian and Japanese neurologists, and between Canadian neurologists, be resolved. This will not be easy because these differences stem from differences in interpretation of clinical findings relating to Canadian Indians examined. In part the differences are attributable to a fragmented and quasi-political approach to the problem of mercury poisoning.

Finally, we need a mature philosophical approach to the management of environmental problems, of which mercury contamination is but one. The current approach is a stopgap one, for like so many environmental problems, mercury contamination is just one of many that require solution at any one time, and the solution to any one problem, then, is inadequate. Many of those who are trying to deal with an urgent problem must simultaneously be dealing with others; this is true, for example, of the medical services branch of the Department of National Health and Welfare which is attempting to overcome the difficulties of mercury contamination in Indians while also dealing with many other unrelated matters, despite limitations in personnel and resources.

● (1650)

It is in part a matter of priorities, but to a much greater extent our current problems have a more fundamental origin: Canada lacks the aggressive environmental legislation philosophy of a country like Sweden, which puts teeth into its environmental legislation and muscle into the actions required.

Preventive medicine is always less glamorous than therapeutic medicine. Yet if the health of Canadians is to be preserved, it is issues such as mercury pollution that are likely to be more important in the long run than many other apparently more pressing issues.

Mercury Poisoning

Mr. Guay (St. Boniface): Mr. Speaker, I would like to bring to the attention of the House the fact that the hon. member for Cochrane (Mr. Stewart) is sitting in the high office of the chair of Speaker, something we do not often see for a private member. I thought that in order to get your name on the record of *Hansard*, I would bring this matter to the attention of all members.

The Acting Speaker (Mr. Stewart (Cochrane)): The hon. member for St. Boniface (Mr. Guay) is very kind.

Mr. Knowles (Winnipeg North Centre): Now you have his name on the record also.

Mr. Bob Kaplan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I am glad to have this opportunity to elaborate on the program presently being undertaken by the Department of National Health and Welfare concerning mercury poisoning.

Mercury poisoning has become a familiar topic with those who read newspapers. Scarcely a week goes by without some new article or some report of a new revelation or finding. Yet a growing recognition of the problem now known as Minamata disease began only in the mid-1960's. Due to this growing awareness, testing was first initiated among the Indian people living on reserves, in areas of known mercury pollution in northwestern Ontario in 1970, and in northwestern Quebec in 1971. It was as a result of the health finding of these tests that the medical services branch of the Department of Health and Welfare undertook an educational campaign to encourage persons in the areas so affected to limit their intake of fish which had been contaminated by mercury.

Since that time, much more information has become increasingly apparent. The Department of Health and Welfare bases its program to combat the problem on the following premises: First, the mercury levels in fish are still hazardous and will remain so for some years; second, damage to health from mercury poisoning. Once it has progressed to this stage it is believed to be irreversible. There is no absolutely sure "safe level" for all individuals. There is, however, uncertainty about the seriousness of the effects of low levels of exposure over a long period of time.

Third, the emphasis must therefore be on prevention of intake of mercury. In practical terms this means that no contaminated fish should be eaten. Fourth, for this reason emphasis is placed on educating people not to eat any contaminated fish at all, rather than simply encouraging them to reduce their intake, and on helping them to adjust to other eating habits. Fifth, this must be accompanied by a health monitoring program which identifies those most at risk and concentrates advices, assistance, and health surveillance on these individuals. This program specifically involves the indentification of those persons at risk by means of blood and/or hair tests. This includes, particularly, fishing guides and their families, and pregnant mothers.

The purpose of such identification is to monitor the progress of such persons at risk in terms of their mercury intake, and therefore their blood mercury levels, and to perform periodic testing of persons at risk in order to ensure that blood mercury levels are, in fact, falling. It involves conducting clinical examinations of persons at risk to determine the presence of disease due to mercury; and conducting a nutritional program to determine first of all to what extent persons in affected areas rely on contaminated fish in their diet and, secondly, to investigate alternative sources of protein, that is, sources which are both available, affordable, and acceptable.

It should be noted that in the course of this nutritional program the safe level of mercury in fish for this particular population already at risk has been redefined at 0.2 parts per million, instead of the present level of 0.5 parts per million generally accepted as safe for those populations not at risk. In addition, the Indian Affairs Branch is advised of any necessary measures that are required for protein replacement in such a program.

Since the initial testing in 1970, the department has been active in some 25 Indian communities. Over 3,000 people have been tested by blood and/or hair sampling. To date the major involvement in this area has been in northwestern Ontario and northwestern Quebec. I should like to deal with each of these areas, northwestern Ontario first.

Since the winter of 1972-73 a yearly health survey has been carried out by the province of Ontario with the support and assistance of this department. Such tests established that blood levels of mercury were not falling. Adequate numbers of persons were not coming forward for testing, and concern was expressed that a survey carried out in winter did not accurately reflect maximum periods of fish intake.

As I am now coming to a complex part, perhaps I might call it five o'clock.

[*Translation*]

The Acting Speaker (Mr. Stewart (Cochrane)): It being five o'clock, it is my duty to inform the House that under Standing Order 58(11), the proceedings on the motion are now ended.

[*English*]

It being five o'clock p.m., this House stands adjourned until Monday next at two o'clock. I wish hon. members a good weekend and a fruitful and pleasant Mother's Day.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, May 10, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

EXTERNAL AFFAIRS

EXPRESSION OF CONCERN FOR FAMILIES AND REQUEST FOR INCREASED AID TO EARTHQUAKE VICTIMS IN ITALY—MOTION UNDER S.O. 43

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, under Standing Order 43, on a matter of urgent and pressing necessity that has to do with the deep concern and participation of all members of this House in the face of the catastrophe which took place last week in Northern Italy, and in view of the evident contribution made to Canada by people from that region, I move, seconded by the hon. member for Saint-Michel (Miss Bégin):

That this parliament go on record expressing its deep concern to the families of the survivors and that the government consider the desirability of

(a) intensifying and increasing its assistance through the Canadian Armed Forces in Europe;

(b) participating with financial assistance; and

(c) consulting closely with the Italian authorities so as to maximize the Canadian efforts in alleviating the suffering of the affected population.

Mr. Speaker: Such a motion pursuant to the provisions of Standing Order 43 can be presented to the House only if there is unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

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

Some hon. Members: Agreed.

Motion agreed to.

* * *

SEARCH AND RESCUE

PROPOSED COMMITTEE STUDY OF PROVISION OF LIFEBOATS FOR NEWFOUNDLAND—MOTION UNDER S.O. 43

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I, too, wish to present a motion under Standing Order 43 on a matter of urgent and pressing necessity.

Another Newfoundland fisherman has been lost on the west coast of Newfoundland, the second in a week, emphasizing again that, the Ministry of Transport's overall concept to provide lifeboat stations in the Atlantic Region does not include any stations in Western Newfoundland. It further emphasizes the complete lack of strategic planning for surveillance, patrol and protection of Newfoundland fishermen and all mariners in the Gulf of St. Lawrence.

I therefore move, seconded by the hon. member for St. John's East (Mr. McGrath):

That this House orders that the decision to provide four new lifeboats, none of which is presently intended for Newfoundland, be reconsidered by a combined committee of Transport and Communications and Fisheries and Forestry, to offset the evident deficiencies in strategic planning by MOT and to include rescue lifeboats for Newfoundland, thus improving Canada's search and rescue service in the area of greatest need.

Mr. Speaker: Order, please. Pursuant to Standing Order 43, such motion can only be presented to the House if there is unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

NATIONAL SECURITY

REQUEST FOR EXPLANATION OF RAID ON OFFICES OF THE "SUN" IN TORONTO—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I rise on a matter of urgent and pressing necessity. Considering the fundamental importance of a free press to a democratic society, and considering that the RCMP raid on the offices of the Toronto *Sun* on Friday, May 7, is an apparent abuse of the Official Secrets Act, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this House instructs the Solicitor General to make a statement which will provide a full explanation of this raid, including who initiated it, who authorized it and under what law it took place.

Mr. Speaker: The motion under Standing Order 43 requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Paproski: Warren Allmand said no.

Mr. Allmand: I said, nuts!

[*Translation*]

AIR CANADA

SUGGESTED DEBATE ON DENIAL OF USE OF FRENCH BY PILOTS—MOTION UNDER S.O. 43

Mr. Eudore Allard (Rimouski): Mr. Speaker, pursuant to Standing Order 43, I request the unanimous consent of the House to present a motion dealing with an important and urgent matter.

As the new regulations intended for the flying personnel of Air Canada constitute a glaring injustice towards all Quebecers, and it is unacceptable that Quebec pilots should not be allowed to communicate in French with other Francophones on Air Canada planes flying from sea to sea, while Quebecers represent almost one third of the Canadian population, and the Official Languages Act, passed by Parliament in 1969, grants the French fact the same status, the same rights, as the English language in all parliamentary and government institutions, as the federal government advocates bilingualism to the extent of spending considerable amounts of money to promote it, as there are two official languages in Canada, and as, in addition, French has the priority in Quebec, I move, seconded by the hon. member for Richmond (Mr. Beaudoin):

That this House adjourn its business immediately to allow a debate on concrete measures to be taken to redress the injustice and affront Air Canada has done to Canadian culture by edicting new regulations, and that the use of French be authorized as soon as possible in the flying cabins of Air Canada planes to meet the standards of a bilingual Canada.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under Standing Order 43, the motion requires unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: As there is not unanimous consent, the motion cannot be put.

* * *

● (1410)

[*English*]

AGRICULTURE

REQUEST FOR TABLING OF REPORT OF INQUIRY INTO BEEF INDUSTRY—MOTION UNDER S.O. 43

Mr. Jack Murta (Lisgar): Mr. Speaker, I rise under Standing Order 43 on a matter of urgent and pressing necessity, that being the matter of the report of the special beef inquiry that was placed on the desk of the Prime Minister (Mr. Trudeau) on April 27. Because of its importance to the beef industry, and the uneasiness caused by the speculation surrounding some of the recommendations, I move, seconded by the hon. member for Moose Jaw (Mr. Neil):

That either the Prime Minister or the Minister of Agriculture table the reports so that a thorough public discussion can be held.

[Mr. Allmand.]

Mr. Speaker: A motion pursuant to Standing Order 43 can be made only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

OFFICIAL SECRETS ACT

SUGGESTED AMENDMENT TO ASSURE CIVIL JUDICIAL AUTHORITY BE PROTECTION AGAINST ABUSE—MOTION UNDER S.O. 43

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I too rise under the same order. In view of the obvious challenge to a free press inherent in the recent raid on the well-known paper the Toronto *Sun* by the RCMP, in view of the provisions of section 11(2) of the Official Secrets Act which permits search warrants to be issued by "an officer of the RCMP not below the rank of superintendent where the case is one of great emergency", and in view of the fact that the reputation of the Prime Minister (Mr. Trudeau), while important, may not be a matter of great national emergency, I would move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the Minister of Justice be requested forthwith to bring in amendments to the Official Secrets Act in order to ensure that the civil judicial authority remain as the sole protection against the abuse of either political or police power in Canada.

Mr. Speaker: Such a motion pursuant to Standing Order 43 can be made only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

OLYMPIC GAMES

REQUEST THAT MORE QUEBEC ATHLETES PARTICIPATE—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous consent of the House to introduce an urgent motion of pressing necessity.

In view of the prestigious nature of the Olympic Games, in view also of the federal government's strong refusal to participate directly in the financing of the estimated deficit, considering, moreover, that Quebec is almost completely responsible for the material realization of those games and that its citizens alone will have to pay the deficit of $1 billion, considering finally that the Quebec government put forward special programs, particularly "Mission Quebec 76", to bring the number of athletes from Quebec to 30 per cent of the national delegation, and considering the fact that Canadian federations for each of the Olympic sports seem to strongly disregard athletes from Quebec, who would barely represent 20 per cent of the Canadian

athletes, I move, seconded by the hon. member for Rimouski (Mr. Allard):

That the Minister of National Health and Welfare, who is responsible for sports in the country, order an inquiry into this matter so that a fair portion of Quebec athletes take part in the Olympic Games.

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Under the provision of Standing Order 43, this motion requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

[*English*]

EXTERNAL AFFAIRS

PROPOSAL TO INFORM UNITED STATES OF DISAGREEMENT WITH PLAN TO MINE NICKEL FROM SEABED—MOTION UNDER S.O. 43

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, I rise under the provisions of Standing Order 43 to ask the unanimous consent of the House to deal with a matter of urgent and pressing necessity. In view of the fact that the United States has presented a proposal to the Law of the Sea conference which calls for the mining of nickel from the seabed at a minimum 6 per cent annual rate of increase, in view of the fact that it has been suggested that this rate of increase in the mining of nickel from the sea would mean the extinction of the nickel industry in Canada in a very few years, and in view of massive unemployment in large areas of the country, I move, seconded by the hon. member for New Westminster (Mr. Leggatt):

That the Canadian government immediately inform the government of the United States of its opposition to the American plan, and that the particular workers who are so vitally affected by these developments be involved in any government plans or strategy.

Mr. Speaker: Is there unanimous consent for such a motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

HOUSE OF COMMONS

PRESENCE IN GALLERY OF VICE-PRIME MINISTER OF THE NETHERLANDS, MR. VAN AGT

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I should like to draw the attention of the House to a distinguished visitor in the Speaker's gallery, His Excellency Mr. A. A. M. Van Agt, the vice-Prime Minister and Minister of Justice from the Netherlands.

Some hon. Members: Hear, hear!

ORAL QUESTION PERIOD

[*English*]

THE BUDGET

DATE OF PRESENTATION

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is to the Minister of Finance whom I should like to compliment on his enthusiastic participation in the "Mackasey Roast". I should say, too, that we may raise it as a matter of privilege if any more "cabinet roasts" occur outside of the House of Commons.

I should like to direct a question to the minister with regard to his next performance. Would he tell the House when he will be presenting his first budget?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, may I thank the Leader of the Opposition for the kind compliment. Of course, he will recognize that there are not generally as many targets like that particular one for that kind of occasion. Let me say in answer to the second part of his question that I intend to present the budget on the evening of May 25.

Mr. Clark: Mr. Speaker, I concede nothing regarding the targets on the other side.

Some hon. Members: Oh, oh!

* * *

FINANCE

SUGGESTED COMMITTEE STUDY OF ECONOMIC FORECASTS—SMALL BUSINESS REPRESENTATION ON TAXATION ADVISORY COMMITTEE

Mr. Joe Clark (Leader of the Opposition): We understand that as part of the contribution to the post-control policy development the Department of Finance has prepared a five-year economic forecast. Will the Minister of Finance confirm that that kind of forecast has been undertaken and, if so, will the minister agree to immediately direct that forecast to the Standing Committee on Finance, Trade and Economic Affairs so it can be studied along with the economic review?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would not regard the department's work in this regard as being forecasting. The department has, of course, been engaged in examining various possibilities which might occur in the development of the international and Canadian economies. I would think it not advisable to try to predict so far in advance what the events may be. Under the circumstances, it would seem to me the work to this point is not of the kind that could effectively be referred to the committee.

Mr. Clark: Mr. Speaker, my colleagues and I continue to regret the refusal of the government to lay before a committee of the House of Commons and the people of Canada some indication of the options it is considering in forecasting, on which the government is acting in preparing budgets. I wonder whether the minister could tell us now if

there will be appended to the budget address, or included in the budget, some indication of the long-range forecasting on which budget plans will be based?

Mr. Macdonald (Rosedale): Mr. Speaker, I just say with regard to the reluctance to commit ourselves to long-range forecasts, and I think it is a fair observation to make to the House, that when a figure of that kind is given in a forecast the qualifications that necessarily surround it are immediately forgotten and it is as though the figure were stated as being definite for all time. In fact, in economic planning I think the appropriate course of action is to look at some options which might occur if different eventualities took place, particularly those beyond the control of the government. The budget will obviously look at the future and try to draw some conclusions with regard to the coming 12 months, but will not in any detail go beyond that period.

Mr. Clark: Mr. Speaker, that kind of fear about forecasting is not shared by virtually any other country with a parliamentary democracy. Of course, these other countries also do not share the existence of secrecy which is apparent here.

Some hon. Members: Hear, hear!

Mr. Clark: Mr. Speaker, I wonder whether the government is prepared to put anything on the Table or take parliament and the people of Canada into its confidence? The white paper of last October promised to establish consultative mechanisms for economic policy development.

Mr. Speaker: Order, please. The hon. Leader of the Opposition has asked four questions now and this is the second preamble. I wonder if I could ask the hon. member to put his question.

Mr. Clark: Mr. Speaker, I should like to ask the Minister of Finance whether he is going to follow up on the agreement of his colleague, the Minister of National Revenue, to provide small business representation on the taxation advisory committee by providing small business a formal place in whatever mechanism is established regarding post-control policies?

Mr. Macdonald (Rosedale): Mr. Speaker, I would certainly be glad to continue the close co-operation we have had with the small business sector of the economy, particularly in the work of the Canadian Independent Business Committee, in considering in particular whether a representative of that group might effectively be involved in some formal discussion with government work, as the hon. Leader of the Opposition suggests.

* * *

NATIONAL SECURITY

RESPONSIBILITY FOR RAID ON OFFICES OF THE TORONTO "SUN"—REASON FOR HASTE IN ISSUING SEARCH WARRANT

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Solicitor General. Given the importance of a free press to a democratic society, particularly its right to operate in a non-harassed way within the rule of law as we know it in the west, I should like to ask under whose authority the RCMP raided the offices of the Toronto *Sun* last Friday? I ask this particularly because under the Official Secrets Act an inspector of the RCMP can act on his initiative and issue a warrant if the case is "one of great emergency" and "that in the interest of the state immediate action is necessary." Was it done under the Official Secrets Act or if not under what authority was it done?

[Mr. Clark.]

• (1420)

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the warrant to search was issued under the Official Secrets Act and fully in accordance with the law. No political persons were involved in the decision. As a matter of fact we learned about it only after the fact. The search warrant was obtained in pursuance of an alleged infraction of the Official Secrets Act.

Mr. Broadbent: Well, Mr. Speaker, given this extraordinary assurance—I say "extraordinary" in light of the facts as we know them at this point—would the minister mind expanding on his answer. I quoted what seemed to be the relevant section of the act which refers to a "great emergency" or a situation in which "immediate action" was necessary. Would the minister kindly, given the importance as I say for a free press to operate in our society unharassed by the RCMP, expand on his answer and tell us precisely why such speedy action was necessary and what was the great emergency involved.

Mr. Allmand: Well, Mr. Speaker, under the law I was not involved in the decision. The RCMP went to a justice of the peace and obtained the search warrant in accordance with the statute. The justice granted the warrant. I think any question with regard to the legality should be put to the Minister of Justice. I cannot explain it. I was not involved in the decision in any way whatsoever.

STATUTE UNDER WHICH WARRANT TO SEARCH OFFICES OF TORONTO "SUN" ISSUED—OFFICIAL WHO INITIATED THE ACTION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I should like to do precisely that and go to the Minister of Justice because presumably he will have done some checking on such an important matter over the weekend. Will he confirm that the action was taken under the Official Secrets Act, and if so under what part of that act, what specific official initiated the action and what official issued the warrant.

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I do not have the name of the Justice of the Peace or the official who may have issued that warrant, either under subsection (1) or subsection (2) of section 11 of the Official Secrets Act. I wish, however, to thank the hon. member for asking the question so that I might have an opportunity to correct statements that have appeared both in news stories and editorials in—the Sunday *Sun*—

Some hon. Members: Order.

Mr. Basford: —saying, and I quote—

Some hon. Members: Order.

Mr. Basford: —where it is alleged that I issued such a warrant and no such warrant could be issued—

Some hon. Members: Order.

Mr. Diefenbaker: Mr. Speaker, if he wants to return to this subject on the Orders of the Day, well and good, but this does not go, the smuggling in of an answer for self-satisfaction.

Mr. Speaker: Order, please. Having taken the Leader of the Opposition to task about an undue preamble I can scarcely do less in respect of the minister. If he has an answer to the specific question put by the hon. member for Oshawa-Whitby I think he should answer.

Mr. Basford: Mr. Speaker, the specific answer to the hon. member for Oshawa-Whitby is that I do not have the name of the Justice of the Peace or the superintendent who may have issued—

Mr. Broadbent: "Who may have"? Don't you know?

Mr. Basford: —the order under Section 11, either subsection(1) or subsection(2). It is clear, in answer to the hon. member's question, that no such warrant was issued by me nor do I have such authority to issue.

* * *

[*Translation*]

AIR CANADA

DENIAL OF USE OF FRENCH BY PILOTS—GOVERNMENT POSITION

Mr. Eudore Allard (Rimouski): Mr. Speaker, my question is directed to the Minister of Transport.

Could he tell the House whether it is true that Air Canada has prohibited the use of French in its plane cabins alleging that it could be a source of misunderstandings? If such is the case, has that policy been approved by the government?

[*English*]

Hon. Otto E. Lang (Minister of Transport): No, Mr. Speaker. There was a directive which Air Canada had issued which indicated that English would be the language used in technical work, and that was really in accord with the fact that our own regulations on instrument flying require that language generally to be used. The directive is open to a broader misinterpretation which Air Canada will be correcting in some detail, but I can assure the hon. member that it was never intended to stop casual or ordinary conversations in French between anyone but only related to the use of the English language in technical communication which is required at present under our regulations.

[*Translation*]

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

Since the reason given by Air Canada to justify its prohibition of French in plane cabins is that the use of French could become the source of misunderstandings, could the minister tell the House whether he is aware that such reasons suggest that, to avoid misunderstandings among French-speaking and English-speaking people, the government will have to ban the use of French as official language in Canada or separate Quebec from the rest of the country?

[*English*]

Mr. Lang: Mr. Speaker, I know the hon. member does make that suggestion seriously, and I hope he will take Air Canada at its word that the directive was meant to relate solely to technical language. Indeed they will be explaining that in more detail.

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ANTI-INFLATION PROGRAM

POSSIBILITY OF CHANGES—REQUEST FOR CONSULTATION WITH INTERESTED GROUPS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I wish to direct my question to the Minister of Finance. The minister has indicated that changes in the control program may have to be made at the time of the budget. Without inviting the minister to say anything about the budget at this time, I should like to ask him whether he has decided to make changes at that time and, if so, in what way is the minister consulting directly the various sectors of the economy on this matter?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the Anti-Inflation Board and the government have been looking at many of the representations we have received about the operation of the anti-inflation program. We intend to make announcements in the context of the budget with respect to lines of change which of course will then be followed by a period of consultations on the preparation of amendments to the guidelines.

* * *

ECONOMIC COUNCIL OF CANADA

PARTICIPATION OF LABOUR—GOVERNMENT POSITION

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, in light of the fact that the president of CLC has indicated that the congress is not going to form part and parcel of the Economic Council of Canada, I wonder whether the minister could assure the House that he will seek out a meeting with the president of the CLC this week in order to impress upon labour the need for it to discharge the very important responsibility given to it as a member of the Economic Council of Canada? Can the minister assure us of that?

Hon. Donald S. Macdonald (Minister of Finance): We have been taking that position with the CLC for the last couple of months, both in private and in public meetings.

Mr. Alexander: The minister has evaded my question. All I am asking is whether he will assure the House that he will meet with the president of CLC this week in order to

impress upon labour the need for labour to discharge its responsibility with respect to the Economic Council of Canada, from which the minister will have to acquire in due course.

Mr. Macdonald (Rosedale): It does not seem to me that it is particularly necessary to seek a panic meeting this week to tell them what I have been telling them for the last two or three months.

* * *

INCOME TAX

BASIS UPON WHICH RELIGIOUS GROUP NOTIFIED OF DANGER OF LOSING STATUS OF CHARITABLE ORGANIZATION

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of National Revenue and it has to do with the cancellation of a march and a presentation of position by a religious group last weekend, of which I am sure the minister is well aware, with respect to the advocating of the Christian cause in iron curtain countries. I wonder if the minister can indicate on what basis his officials notified this group that they would be jeopardizing their charitable tax status, and whether he thinks it is appropriate for his department to make a definition as to the kind of representations that are legitimate and those that are illegitimate.

Hon. Jack Cullen (Minister of National Revenue): Mr. Speaker, the regulations are quite clear as to what groups can in fact qualify for the charitable donation certificate. In this particular instance this group had lost its right to be considered a charitable group as a result of failing to file a particular report. They are now making an application to be reinstated. In the course of that they indicated they would be taking part in this political activity or moving in this particular political arena. Jurisprudence in the courts indicated this goes beyond what the act allows. There are four clear items under which an institution qualifies as a charitable organization. In effect, they were going one step beyond the promotion of their religion.

● (1430)

Some hon. Members: Oh, oh!

Mr. Cullen: If hon. members are interested in hearing the answer, I am trying to give it. This was not given as a ruling of the department; it was given as an indication—and as a courtesy—that they might run this particular risk. We asked them to consult their lawyers, to look into the matter and to see if the jurisprudence did in fact tell them this. It was a matter of courtesy, and it was a suggestion.

Mr. MacDonald (Egmont): Perhaps there is some disagreement about the nature of the course of events. I wonder if the minister can confirm that in respect to this specific demonstration officials of the minister's department contacted directly representatives of this organization and warned them that they would in fact jeopardize their status. Could the minister confirm that there was no request by the organization of Revenue Canada but that an initiative was taken by his department to forestall this specific demonstration?

[Mr. Alexander.]

Mr. Cullen: I suppose we could get into a question of semantics. It did not seem appropriate when this particular group was endeavouring to be reinstated, that if it ran the risk of losing that reinstatement as a result of participating in that activity, it should not be brought to its attention that it should consult its lawyer. It seemed appropriate and courteous of my officials. I applaud my officials for taking that initiative, if they in fact did.

Mr. MacDonald (Egmont): Can the minister indicate whether his officials took this action as a result of either reading a newspaper ad or by being contacted by third parties who asked that action be taken by the department to forestall this demonstration by this particular religious group?

An hon. Member: Did you get a call from the Soviet embassy?

Mr. Cullen: In taxation we do not speak that particular language. No, we did this as a courtesy to the individual group because it had lost its charitable donation status. The group advised that it had made application to get that status back, and in the course of that we indicated that if it participated in this particular move it might be jeopardizing that status and that it should consult its counsel.

* * *

IMMIGRATION

ARREST OF ILLEGAL IMMIGRANTS WORKING AT TORONTO AIRPORT—GOVERNMENT POSITION

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, I have a question for the Minister of Manpower and Immigration of which I gave his office notice this morning. It involves the Towers Cleaners operation at Toronto international airport. I wonder if the minister could advise the House whether nine employees of that company were arrested approximately three or four months ago for being illegal immigrants in Canada?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I did receive notice of this just before I came into the House. I know of some arrests at the airport about a year ago, in July of 1975. I want to follow up on the results of that, and since the hon. member has indicated a more recent occurrence. I should like to check on that before I give a definitive response.

* * *

AIRPORTS

REQUEST FOR ASSURANCE ALL EMPLOYEES HAVE SECURITY CHECKS

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, I gave the minister's office notice at 9.30 this morning, not just before question period. My supplementary question is to the Minister of Transport. Could the minister advise whether his department has taken any action since those arrests to ensure that all employees

working at federal airports in Canada have security clearance checks before they get jobs in airports?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I will be glad to look at the procedures to see if any change is required.

* * *

[*Translation*]

AIR CANADA

DENIAL OF USE OF FRENCH BY PILOTS COMMUNICATING WITH AIRPORTS—GOVERNMENT POSITION

Mr. Serge Joyal (Maisonneuve-Rosemont): Mr. Speaker, I have a question for the Minister of Transport.

Further to the answer given by the minister to a question asked earlier by one of our colleagues that the prohibition of the French language would apply to the technical aspect of air communications, can the minister inform the House what he means by the technical aspect, the air-ground or ground-air communications between pilots and the control tower, or whether he intends to include any conversation between flight personnel on a Crown company aircraft?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I think in its wording it would seem to apply to technical conversations, that is to say working conversations of a technical nature between the pilot and co-pilot. From the comment which Air Canada made I am not sure if it was ever intended to apply in that detailed fashion, and that is why Air Canada is issuing an explanation of it and will be issuing a longer directive to replace the rather short and misleading one which it has issued.

* * *

NATIONAL SECURITY

RESPONSIBILITY FOR ISSUING WARRANTS TO SEARCH OFFICES OF TORONTO "SUN"—GOVERNMENT POSITION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I realize that the Prime Minister has to be absent from time to time. I intended to direct some questions to him, and I will reserve my right in that regard after having directed questions to the Minister of Justice, who says he does not know anything about the issuing of these warrants, which actually constitute, on the face of it, infringement of freedom of the press. When asked by the press about the circumstances, the Prime Minister said "shove it".

Some hon. Members: Order.

Mr. Diefenbaker: The Solicitor General said he does not know anything about it. I ask the minister to advise whether this is a conspiracy of silence on the part of members of the government, each passing the buck to the Mounted Police to get out of the difficulties in which they find themselves.

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the RCMP operates within the confines of the law and general directions by the government, but the government does not interfere in individual investigations; it follows the law.

Mr. Diefenbaker: Does the minister recall that a few days ago in connection with the laying of charges by the Mounted Police in Ottawa rather than in Quebec the government took the attitude that this was very wrong and that the Mounted Police should not make such decisions without government concurrence and agreement?

Some hon. Members: Oh, oh!

Mr. Diefenbaker: I ask the minister this: what are the provisions of the statute—and I know the provisions, but I want the minister to enlighten the House—with regard to the issuing of warrants in respect of serious emergency conditions in connection with the security of Canada? Does the law not require the Solicitor General or the Minister of Justice to have some responsibility?

Mr. Basford: Mr. Speaker—

Mr. Diefenbaker: I will be glad to hear the postponed explanation of the minister in a moment.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: I have got them all asking. Even the former minister of justice, when he carried on to upset the administration of justice—

Some hon. Members: Question.

An hon. Member: Ten o'clock.

Mr. Diefenbaker: I ask the Solicitor General, does he want the House and the country to believe that he was as surprised as the Prime Minister pretended to be when asked questions by the hon. member for Saskatoon-Biggar on Friday?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Would the right hon. gentleman put his question?

Mr. Diefenbaker: I have much difficulty getting attention, but I must make my question simple so that the Solicitor General can understand me. Is the security of this nation not in jeopardy as a result of the fact that the Solicitor General or the Minister of Justice know nothing about action to be taken regarding one of the most serious offences which can be committed against the security of Canada?

Mr. Allmand: The law does not require that the Solicitor General or the Attorney General be consulted or approve when a warrant is issued under the Official Secrets Act. If the right hon. member knows the law so well, he should know that that is clearly in the law. Obviously, the judge was satisfied that the warrant should be issued and issued the warrant.

An hon. Member: It was a J.P.

Mr. Allmand: The justice of the peace. With respect to the earlier question, the government did not say that the RCMP should have laid charges in Quebec. In that particular situation the RCMP had the choice of having the case taken in Ontario or Quebec, but we felt that there was a need for further guidelines to the police in a general sense and not in an individual sense.

Hon. Ron Basford (Minister of Justice): Mr. Speaker—

Some hon. Members: Oh, oh!

Mr. Basford: In the question the right hon. member for Prince Albert mentioned both the Solicitor General and the Minister of Justice, so I should like to answer that part of the question which referred to the Minister of Justice, namely—

Mr. Nielsen: Mr. Speaker, this should be done on motions.

Some hon. Members: Sit down.

● (1440)

Mr. Speaker: Order, please. Surely, I can at least hear the preamble.

Mr. Nielsen: The question has been answered.

Mr. Basford: Mr. Speaker, the law is perfectly clear. Under section 11 of the Official Secrets Act a Justice of the Peace may issue a warrant on the information that there are reasonable grounds for suspecting that an offence under the act has been committed or, where there is an emergency situation a similar warrant may be issued by an officer of the Royal Canadian Mounted Police—

An hon. Member: Who issued this one?

Mr. Basford: —not below the rank of superintendent. In this case no such warrant, no such action, is required by the Attorney General of Canada. No action was taken by the Attorney General of Canada.

An hon. Member: Who issued the warrant?

SUGGESTION COMMITTEE COMPOSED OF PRIVY COUNCILLORS INVESTIGATE LEAK OF LETTER TO TORONTO "SUN"

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, a supplementary question to the Acting Prime Minister. This being a very serious matter and one that strikes at the fundamental foundation of freedom, namely freedom of the press—

Some hon. Members: Hear, hear!

Mr. Diefenbaker: This government, through its Prime Minister has spoken in a most caustic, libellous manner of the Toronto *Sun* and its publishers and of course, there is no action for anything spoken in the House. The Prime Minister said that the letter in question was not fully understood, that the officer in charge of security apparently did not understand. Everybody excuses the government and the government excuses itself. As security must be kept from public notice so that this will be cleared up, would the minister give consideration to having the Prime Minister and the officer in charge of security place their views before a committee of the House composed of members of the Privy Council—

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Mr. Speaker, these hon. gentlemen have never heard of that place! I ask him that because this is too serious to be brushed aside in the manner in which the government is endeavouring to do. If this is done, members of the opposition who are members of the Privy Council, and who are sworn to secrecy, will find out where the Ethiopian is through the explanations that the government gives.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I find it very difficult to take the comments of the right hon. gentleman seriously.

Some hon. Members: Hear, hear!

Mr. Clark: You have made that mistake before.

Mr. Sharp: The Prime Minister, the Minister of Justice and the Solicitor General have all said they had no knowledge of this affair.

An hon. Member: That is why we want an inquiry.

Mr. Sharp: The right hon. gentleman from Prince Albert pays no attention to what anyone says. He accused the Prime Minister of being a liar. I want him to repeat that to his face when he appears here.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Paproski: I can't believe my ears.

Mr. Diefenbaker: No matter how far he departs from the truth, I would not go that far.

RESPONSIBILITY FOR ISSUANCE OF WARRANTS TO SEARCH OFFICES OF TORONTO "SUN"

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I should like to address my question to the Minister of Justice. I am not at all clear from what he said whether the warrant was issued by a Justice of the Peace, which has to be done on information on oath, or whether it was issued under section 11(2) of the Official Secrets Act by some official of the Royal Canadian Mounted Police. If the minister does not know the answer, would he try to find out and tell the House who did it, who was responsible for it and, furthermore, will he make sure that this House sees either the written order of the official of the Royal Canadian Mounted Police or the information on oath upon which this action took place?

Mr. Hnatyshyn: On motions.

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I will be happy to find out this information but this is a

question which should really be directed to the Solicitor General—

An hon. Member: Passing the buck.

Mr. Basford: I am amazed at the right hon. member for Prince Albert talking about freedom—here is the right hon. gentleman who talks about freedom of the press and—

Mr. Speaker: Order, please. There remains about 15 minutes of the question period. I think it might be better if we could stick to questions and answers.

Mr. Clark: Who advertised in *Le Jour*?

SUGGESTION SOLICITOR GENERAL SHOULD BE CONSULTED BEFORE WARRANTS ISSUED TO SEARCH NEWSPAPER OFFICES

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a supplementary question and I should like to address it to the Solicitor General. I am perfectly prepared to get the information that I asked for from the Minister of Justice at some later date, if and when he takes the trouble to find out the facts. My question is, in a matter so important as the freedom of the press and a warrant to search through the files of the press, even though there is no legal duty to consult, would the minister not think it wise to inform the Royal Canadian Mounted Police before taking the action which might be the highest infringement of that basic right of Canadians, the right of a free press, to be consulted about it? Does he not take that to be an advisable step?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, there is also an important question to be considered and that is, whether we want the elected person, the political person, to be involved in the operational aspects of criminal justice.

Some hon. Members: Hear, hear!

* * *

EXTERNAL AFFAIRS

AID TO EARTHQUAKE VICTIMS IN ITALY—GRANTING OF LICENCES TO CHARITABLE ORGANIZATIONS RAISING FUNDS

Mr. F. A. Philbrook (Halton): Mr. Speaker, I have a question which I would put to the Parliamentary Secretary to the Secretary of State for External Affairs and/or the Minister of National Revenue. In light of the earthquake tragedies in northern Italy is it possible to expedite the granting of charitable tax deduction licences to facilitate the fund raising by Canadian Italian groups and others for this purpose?

[*Translation*]

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, we have not received any direct call for governmental aid from the Italian Red Cross. Several Canadian groups, however, have taken the initiative in raising funds. I might point out that those funds can be forwarded to destination through officially recognized charitable organizations under the Income Tax Act, and donors will then get official receips for income tax purposes. Among those organizations are the Canadian Red Cross, OXFAM, CARE and the Canadian Catholic Organization for Development and Peace, to name just a few.

* * *

[*English*]

TRANSPORT

BORDEN-CAPE TORMENTINE FERRY SERVICE—INCREASED FARES AND REDUCED SERVICE—GOVERNMENT ACTION

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I have a question for the Minister of Transport which concerns last week's announcement that only four ships will operate on the Borden-Cape Tormentine ferry service this summer, an announcement which follows upon another one of vastly increased fares on that service. Will the minister cause a re-examination to be made of this unwelcome combination of increased costs and diminished service, and will he find a means of forestalling this latest contribution to the weakening of the economy of the maritime provinces and the widening of regional disparity?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I think the hon. member knows that in response to the local desire, the ferry has been or is being transferred from one service to the other. He refers to the increase in fares but as I indicated to the House before, and I am glad to do so again, action has been taken by the government to moderate increases in the deficits incurred by ferry services but not eliminate them. In fact, there will be more of the taxpayers' money going to support these services than in past years and by a significant amount. In view of the need for some restraint, I hope the hon. member will recognize that there has been no price increase for some years but there is a need for increased service.

Mr. Macquarrie: A supplementary question in reference to the local wishes. May I ask the minister if the government of Prince Edward Island requested withdrawal of this boat from the Borden-Tormentine service?

Mr. Lang: If the hon. member is referring to transfer, there was some general support for this. I will check to see specifically whether the Minister of Transport in that area requested it.

EFFECT OF INCREASED FERRY CHARGES ON ECONOMY OF NEWFOUNDLAND—REQUEST FOR INVESTIGATION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is also for the Minister of Transport. In view of the fact that the Gulf ferry fares to Newfoundland have increased up to 100 per cent and in view of the fact that the public service utilities commission asked the Canadian Transport Commission or CNR to roll back the increase in bus fares, in view of the fact this will deter and stultify the only industry left in Newfoundland, will the minister investigate this vast increase to alleviate the problem of the future of Newfoundland on an economic base?

● (1450)

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I know the hon. member would not want to mislead the House by his reference to 100 per cent increases of that nature in view of the fact that the bulk of the increases were very small in percentage figures. In fact, there was an increase in the amount attributed to the ferry part of a rail service, but that does not indicate an increase in rate, but a difference in sharing. In general, we have increased certain peak period charges for both passengers and traffic to attempt to assure there will be a better spreading of the load in order to save money which would otherwise be required for additional ferry facilities. I hope that when the hon. member and his colleagues are looking at government restraint in spending, they will appreciate doubly the increase in the amount being devoted toward payment of deficits in these services where the increases are rather modest after many years of no increase at all.

* * *

INDUSTRY

REASON FOR DELAY IN CONSTRUCTION OF POLYESTER YARN PLANT BY DUPONT AND LAY-OFFS BY ELECTROHOME—GOVERNMENT ACTION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, my question is to the Minister of Industry, Trade and Commerce. Has the minister looked into the causes which brought about the decision by Du Pont of Canada to delay the start of construction of the $50 million polyester yarn plant at Coteau-du-Lac in Quebec and to lay off 125 workers, and also the decision by Electrohome to lay off 400, in order to find out if the causes of this delay of construction and these lay-offs can be corrected by government action, and if so, what action does the government plan to take?

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, I thank the hon. member for having given me notice of these questions. I met quite incidentally with the people concerned at lunch hour today. Therefore, I can give an up-to-date assessment with regard to the Du Pont situation. It is, in fact, related to imports of polyester yarn which follows on to a problem with what is known as the double-knit type of fabric. Part of this problem has been due to a drop in the market of the United States which has resulted in sales into Canada at depressed prices. As the result of the explanations I received today from the industry, we are looking into that to see if there is a cause for taking action. Also, there was a general view expressed that this was a temporary situation. There was a reasonable degree of confidence that it would correct itself over time. In the meantime, we are looking to see what kind of action should be taken. I emphasize that, primarily, it is because of the situation in the United States.

With regard to Electrohome, that is a more complex problem. Electrohome, being a totally Canadian company, has been proven to be more vulnerable in some respects to a drop in sales of television sets than some of the integrated or multinational companies. They are taking a three week layoff in order to correct an inventory problem. We are discussing with them, and with the industry in general, what is a very serious problem with regard to the future of the television industry in this country.

* * *

[Translation]

AIR CANADA

REQUEST FOR STATEMENT BY MINISTER ON USE OF FRENCH BY PILOTS

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to put a question to the Minister of Transport.

As two of my colleagues have already raised that question, the minister will understand the importance of it; in view of the statements made by Quebec newspapers regarding that so-called decision made by Air Canada and which seems to be openly questioned by the minister's statement, I would like to ask him for the guidance of all Quebecers whether he would be prepared to make a new statement saying whether French-speaking pilots will or will not be able to speak French, or at least issue a press release to inform adequately the newspapers on that issue.

[English]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I think I made the position perfectly clear. The hon. member is simply repeating the question and the issue. I indicated to him that the Air Canada directive may well have been open to this interpretation, although I understand the phrase "technical language" is in the directive. Even that may have been interpreted more widely than was intended. If Air Canada intends to elaborate on that, I will be happy to let the hon. member and other hon. members see the elaboration.

[Translation]

Mr. Pierre De Bané (Matane): Mr. Speaker, I wish to ask a supplementary.

As the Minister of Transport announced a few months ago the use of French in air-ground communications in a few airports in the province of Quebec, will the decision made today by Air Canada prohibit the use of French in air-ground communications at airports where the federal Department of Transport has already authorized the use of French?

[English]

Mr. Lang: No, Mr. Speaker, it certainly is not. It certainly was not intended to in any way limit the use of French, if that were possible, between a pilot and air controller in those airports where visual flying rules allow communication in the French as well as the English language. However, it should be appreciated that most of the Air Canada flying is, indeed, according to instrument flight rules. Therefore, the rule in that regard has not changed. While we are looking very closely at the development of procedures which will allow in the province of Quebec some IFR communication in French as well as English, we have to stick very strongly by the rules. Until the rule itself can be changed, because the procedures are safe, the present rules must be enforced.

ENERGY

PROPOSAL BY NOVA SCOTIA RESPECTING COST OF ELECTRICAL POWER—GOVERNMENT POSITION

Hon. Robert L. Stanfield (Halifax): Mr. Speaker, I wish to ask the Acting Prime Minister whether the premier or the government of Nova Scotia has made a proposal to the government of Canada with respect to the cost of electrical power as a result of a dependence on oil? If so, what is the general nature of that proposal and what has been the response of the government of Canada?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, there has been received from the premier of Nova Scotia a proposal setting out in rather general terms a particular position of the province of Nova Scotia. I think the Prime Minister has already made clear that this proposal was accepted in the sense that it would be studied and that the premier of Nova Scotia would be advised at a later date as to what his position, if any, would be on it.

Mr. Stanfield: Mr. Speaker, may I ask the Minister of Energy, Mines and Resources to indicate in general terms the nature of the proposal of the government of Nova Scotia?

Mr. Gillespie: Mr. Speaker, I would want to ensure that the nature of the correspondence was of a kind that could be made public. I will find out whether the premier of Nova Scotia would like to have that proposal made public. I do not see any reason why we would have an objection.

* * *

HIGHWAY SAFETY

POSSIBILITY OF RECALL ORDER ON CERTAIN FORD MOTOR VEHICLES—REQUEST FOR REPORT

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question is directed to the Minister of Transport. Since the Motor Vehicle Traffic Safety Branch of the Ministry of Transport has initiated a defect investigation involving both the premature rusting of certain Ford motor vehicles along with a problem in the steering assembly of Ford motorcars built since 1965, when is the minister going to order a recall of these dangerous vehicles built since 1965, involving both the rusting and the steering assembly? What precise measures does the minister intend to take to protect the lives of Canadians in this regard? Will the minister be making a full report to the House?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the department's record of safety is well known. The hon. member knows if there is any basis for a recall because of safety, that action is taken forthwith. There are some issues involved in this situation which are arguable from a legal point of view. It is true the department is watching the situation in relation to the idler arm very closely.

CONSUMER AFFAIRS

POSSIBILITY OF PROVIDING FOR CLASS ACTIONS—COMPENSATION FOR RUSTING OF FORD MOTOR VEHICLES

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I wish to direct my supplementary question to the Minister of Consumer and Corporate Affairs. Will the government introduce class action legislation in this House so that individual consumers may be protected in provinces other than Ontario? Has the minister read the documents pertaining to Ford's U.S.A. secret warranty program J-67, as a result of which the United States public have been protected against premature rusting? What does the minister propose to recommend to the Canadian people in the interim so that they can be compensated by the Ford Motor Company? Will the minister meet with Ford officials once again and make sure that Ford owners will be compensated forthwith? Will he impress on the Minister of Transport that this question involves safety here and now, and that a recall is a matter of imminent importance?

● (1500)

Hon. Bryce Mackasey (Minister of Consumer and Corporate Affairs): Mr. Speaker, I thank the hon. gentleman for asking three unrelated questions.

An hon. Member: You drive a Ford, Bryce, don't you?

Mr. Mackasey: The hon. member will appreciate that since the question of alleged premature rusting of Ford automobiles is before the courts in Ontario and the subject of anti-combines investigation here in Ottawa, I do not want in any way to presume that Ford is guilty of anything at the moment. On the matter of class action, we intend to make part of the second phase of the competition bill. And, yes, I have read the warranty which exists; and, yes, I do intend to meet, as I did late on Friday, with Ford officials some time this week.

Mr. Grafftey: A final supplementary, Mr. Speaker. Since Ford owners in the United States were fully compensated without any buck-passing to the courts, everybody having acted in a spirit of goodwill independent of what was happening before the courts, will not the Minister of Consumer and Corporate Affairs speak up for the Canadian consumer, meet with Ford officials immediately and make sure that the individual Canadian consumer who has obviously been prejudiced is compensated immediately?

Mr. Mackasey: Mr. Speaker, the Ford Motor Company of Canada also has rights under our law. Whether it is guilty or not will be determined by the courts.

An hon. Member: You cannot speak of guilt in this connection.

Mr. Mackasey: If the company is found guilty, I will move very fast to look after the difficulties of consumers who may have been in some way affected by the Ford Motor Company.

Mr. Marshall: Mr. Speaker, I rise on a point of order. The Minister of Transport suggested that perhaps I was misleading the House, although he was sure I would not want to, with regard to some figures I mentioned to do with the

gulf ferry service. Even though I do not have the document in front of me, I was quoting from a table of figures showing increases charged for service across the gulf between North Sydney and Port aux Basques. It indicated that the rate for camper-trailers was to be increased by 100 per cent. I brought this matter to the attention of the minister and the House because the government helped with the development of Gros Morne national park and the increased rate would deter tourists from visiting this part of Newfoundland. I can produce those figures if the House wishes. The facts are as I have indicated, and are supported by CNR.

Mr. Lang: Mr. Speaker, I, too, rise on the same point of order. I appreciate the hon. member drawing the attention of the House to the fact that when he looked with his microscope for a figure, he found one. That was my point. I tried to make the point that this is not a sort of general matter, as the hon. member may have managed to suggest.

Mr. Broadbent: Mr. Speaker, I rise on a point of order. I note that the Prime Minister entered the House just at the end of the question period. No doubt he was preoccupied with other serious matters. I wonder if the House would unanimously agree to allow the Prime Minister to say something about an important issue, about something which to many appears to be a clear infringement of the freedom of the press of Canada. I say this in light of the raid by the RCMP on the Toronto *Sun* this past weekend.

Mr. Speaker: Order, please. It is inaccurate, at least, to portray such a point as a point of order. The routine proceedings of the House countenance statements on motions, which can accomplish what is being sought without the consent of the House being necessary. Whether this will take place in the ordinary course of business is something which shall be seen only later in the day; but this can be accomplished without consent.

Mr. MacDonald (Egmont): Mr. Speaker, I rise on the point of order raised by the hon. member for Humber-St. George's-St. Barbe. I think the minister ought to make clear that this is not a microscopic point, as the announcement made this week with respect to the Northumberland ferries means there is to be a 100 per cent increase in all ferry rates this summer. The increase was approved by the minister's department and by the Canadian Transport Commission.

ROUTINE PROCEEDINGS

[*English*]

TRANSPORT AND COMMUNICATIONS

Fourteenth and fifteenth reports of Standing Committee on Transport and Communications—Mr. Campbell.

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

[Mr. Marshall.]

[*Translation*]

LOTO-CANADA

TABLING OF DOCUMENTS AND STATEMENT OUTLINING OPERATION OF ORGANIZATION

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, pursuant to the provisions of Standing Order 42 (1), I would like to table an information document on Loto-Canada, the national lottery which the government has decided to launch. This document is available in the two official languages.

Mr. Speaker, I am pleased to advise the House of the government's decision to set up, administer and manage a national lottery, most likely until late 1979, to enable the public, on a voluntary basis, to ease the deficit incurred by the Olympic Games in Montreal in 1976, and the Commonwealth Games in 1978 in Edmonton. The House will be given the opportunity before the end of June to express its opinion on the government's decision. The new lottery, Loto-Canada, will be launched for good in September 1976, that is to say after the last draw of the Olympic Lottery.

From the beginning of the lottery until the end of 1979, if Parliament approves and if the two sides of the House are agreed, 82.5 per cent of the net profits will be earmarked for the 1976 Olympic Games and the 1978 Commonwealth Games. During that period, 12.5 per cent of net receipts will be shared among the provinces according to sales made under their jurisdiction so that, in the whole, the share of Olympic Lottery receipts will be maintained. We hope that provincial authorities will continue to earmark these funds to assist amateur sports. The other 5 per cent of the net receipts will be used by the federal government to finance programs related to physical fitness, amateur sports and recreation.

We have not yet established a formula for sharing the lottery's net receipts after 1979. These matter will be dealt with as soon as possible in co-operation with the provinces.

On the whole, the creation of Loto-Canada will maintain for Canadians the opportunity they have had since 1973 to assist, on a voluntary basis, in developing amateur sports and in improving the physical fitness of citizens. It is, of course, a most worthy goal. So far, the Olympic Lottery has been exceptionally successful: at the last count, it has generated $168 million for financing the Olympic Games. From now on, the new national lottery will be a means of attracting and channelling the contributions of Canadians to help finance a variety of initiatives in the field of amateur sports, physical fitness, recreation and large-scale sporting events which may take place in the various parts of Canada in the future.

I want to point out that the government's initiative is fully consistent with its defined and often-reiterated policy regarding the Olympic Games, namely that no direct contribution from the general revenue of the federal treasury would be allocated for their financing, but that steps would be taken to ensure the success of financing programs.

A new Crown corporation will soon be incorporated, pursuant to the provisions of the Canada Business Corporations Act. The name of this new corporation will be Loto-Canada Inc.; its role will be to administer and operate

a lottery under regulations made by the governor in council pursuant to paragraph 190(1)(a) of the Criminal Code.

Needless to say, the lottery administration charges will come out of its gross revenues. Therefore, it will not cost anything to the Canadian taxpayers. The government will make sure, Mr. Speaker, by implementing the necessary controls, that the company will comply with the highest standards of integrity, prudence and efficiency in the management of the citizens' voluntary contributions.

I am convinced that all members of the House and all Canadians will join me in conveying to the organizers of the Olympic Games of 1976 and the Commonwealth Games of 1978 our wishes of good luck and overwhelming success.

[*English*]

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, let me begin by thanking the President of the Treasury Board (Mr. Chrétien) for his courtesy in making a copy of his statement available to me earlier. We shall be interested in looking at the regulations which he tabled. Sir, the statement we have just heard, and the apparent proposal of a resolution concerning the extension of the Olympic lottery, represents but the latest chapter in one of the sorriest performances of this sorry government. Indeed, on the subject of the Olympics, the government and the Prime Minister (Mr. Trudeau) have consistently tried to play both sides of the street, embracing the Games in one context and virtually disowning them at other times and places. That has happened with the predictable result that as far as the federal government is concerned, we have the worst of both worlds.

● (1510)

[*Translation*]

The essential and primordial consideration is that the games affect not only the good name of Montreal and Quebec, but also the reputation of Canada as a whole. This reputation has already been on the line since 1969 when the Prime Minister wrote to Mr. Brundage of the International Olympic Committee to assure him of the warm support of the Canadian government for the request of the City of Montreal to host the summer games. As stated on many occasions by spokesmen for our party, such as the hon. member for Halifax (Mr. Stanfield) and the hon. member for High Park-Humber Valley (Mr. Jelinek), we think the government should have taken their share of national responsibility in this matter instead of having only an indirect and irresponsible participation.

[*English*]

I look back over the records, Mr. Speaker, and note various statements by the Prime Minister, statements such as the undertaking of February 2, 1973, to "do everything possible to help the Games organizers maintain the cost at the lowest possible level", and the assurance he has given friends on my left as to sharing a desire that the thrust of these Games be on people and not on monument-building.

Putting aside the question whether, on its own records, this government is capable of helping anyone control expenditures, it should be very clear that these statements by the Prime Minister have had no practical or effective meaning whatsoever.

Some hon. Members: Hear, hear!

Mr. Clark: That, sir, speaks for the performance of this government. Our position, Mr. Speaker, remains clear and straightforward.

Some hon. Members: Oh, oh!

Mr. Clark: I am not surprised, Mr. Speaker, that the government benches should be surprised to hear from a party that has been clear and straightforward on this question. We want these Games to be a success, not simply for Montreal and for Quebec but for all of Canada. We are prepared to support any reasonable proposition directed toward making them a success.

[*Translation*]

Consequently, we will support the principle of this resolution because, although it comes late, it is apparently the only practical means to prevent a massive increase in taxes for Quebecers with an average salary. However, our support must not be interpreted as a carte blanche; in fact, we make serious reservations on this resolution.

[*English*]

Concerning the apparent intention to act by order in council and approve by resolution, we in this party question the procedure. Given that this proposition is very much a financial one, and given the magnitude of the operation that we are being asked to approve, I ask the House whether the spirit, if not the letter, of our rules does not demand more than a simple resolution. I say to the government, bring in a bill. If time is the problem, we are ready to discuss that through the House leaders. I can tell you right now, Mr. Speaker, that we would prefer to spend two or three days on this important matter rather than on a resolution in respect to televising our proceedings, which seems to be among the priorities of the government House leader.

We are most certainly concerned about the open-ended nature of this government proposal which amounts to a unilateral appropriation of a new revenue source. In that respect, let me make our position clear. We are prepared to support a temporary extension of the lottery to help meet the deficit of the Olympic Games. We are not prepared to support any attempt by this government to create a new slush-fund for itself by a back door manoeuvre in an area that rightfully belongs to the provinces. I am sure that in taking that position we can count on the strong support of the Minister of Public Works (Mr. Drury) who assured us, when he introduced the Olympics bill in January, 1973, that—if I may quote him from *Hansard*—"the federal government is not in the least interested in operating a national lottery".

We will want, as well, Mr. Speaker, an assurance that this time we will finally receive the full accounting, even on a post facto basis, which has for too long been denied the people of Canada. We want this matter referred to a parliamentary committee where we can receive a full, independent and public accounting of expenditures and spending practices employed in regard to the Olympics project.

Finally, we want some guarantees from this government that this is it; that there are, in fact, iron-clad undertakings on the part of the various other governments involved to meet the whole Olympics deficit; that this temporary

extension of the lottery is the final proposal to be placed before this parliament; that we will not be asked a little farther down the road to approve yet another "final" federal offer of assistance. And let me be clear, Mr. Speaker: we want more than the word of the Prime Minister on this score; we want some guarantees that we can rely on.

We support the principle of this resolution. It is the least we can do for the people of Quebec and Montreal who have a right to expect better of their supposed leaders, including those who sit across the way. But we want to receive a lot more from the government than we have had today, and we most certainly reserve for the debate our right to move appropriate amendments.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, considering the fact that last Thursday the President of the Treasury Board (Mr. Chrétien) told my colleague, the hon. member for Timiskaming (Mr. Peters), that conversations about this matter had not yet been completed, it is amazing that by Monday he is ready to present a proposal to the House. I wish we could get speed like this in respect of some other measures.

It is true, Mr. Speaker, that we were given notice of this statement shortly before the House convened at two o'clock, but I must point out that that hardly gives a caucus the opportunity to meet and take a final decision on an issue as important as this. As the Leader of the Opposition (Mr. Clark) pointed out, this is a double-barrelled, or even a triple-barrelled proposition. When we have a had a chance to consider the whole matter there may be a difference of opinion within the membership of this caucus on some of its details.

However, sir, there are one or two points that are very clear which we want said right away. The leader of the opposition has dealt with the aspects of the matter that concern the deficit of the Olympic Games. The position of this party with respect to federal spending on the Games has been made clear time and time again, yet we are aware of the fact that something might have be done such as the temporary extension of the lottery which is now taking place. But, sir, the proposal in this statement is not just that something be done about the immediate situation; the proposal in this statement is that there be established a Crown corporation to conduct state lotteries for all time. There is no end to it. There is a proposal in more or less specific terms about what will be done with the money for the next year or two, but after that it is suggested that the money be used to finance physical fitness, amateur sport and recreation. On that, Mr. Speaker—

● (1520)

An hon. Member: What's wrong with that; are you against it?

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, my hon. friend asks whether we are against that. I thoroughly believe in physical fitness. Just look at me!

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): It is because we believe that physical fitness, amateur sport and recreation are important aspects of Canadian life that we think they should be financed out of general taxation and, therefore, paid for on the basis of the ability to pay.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): We do not believe that aspects of life as important as physical fitness, amateur sport and recreation should be financed by gambling, which calls on the poor to pay for it, instead of taxation which is levied according to ability to pay.

We also feel therefore that this proposal to put the federal government into the lottery business for all time is economic retrogression of the worst kind. What is the point of the Minister of Finance (Mr. Macdonald) announcing a budget in which he is going to propose tax measures, if the government is going to accept the proposition that when money is needed it can be raised through lotteries and gambling? It is a move completely in the wrong direction, and so far as the aspects of this proposal that relate to the future are concerned, we are opposed to them. This makes it clear that the government does not take physical fitness, amateur sport and recreation seriously, and it makes it clear that if the government gets into trouble with something else—health costs, veterans' pensions, or what have you—which it cannot afford, it will say, "We can go in for gambling again," and the whole business of taxation and redistribution of wealth in this country would be completely shot.

We find ourselves more or less in the position which the Leader of the Opposition (Mr. Clark) indicated, namely, that this House may have to do something about the Olympic Games and should do something about the Commonwealth Games. But bring that proposition before us in clear terms, and do not ask us at the same time to commit Canada to a government lottery under federal authority on a permanent basis. We are completely opposed to such a regressive step.

[*Translation*]

Mr. Eudore Allard (Rimouski): Mr. Speaker, first of all I wish to thank the President of the Treasury Board (Mr. Chrétien) for having made available to us a copy of his statement.

As far as the members of the Social Credit Party are concerned, the Olympic Games are a national event which will benefit the whole country. If the games are very successful, Canada's reputation will benefit at the world level. Consequently, in all our interventions dealing with the Olympic Games, we requested that the federal government contribute adequately to the financing of the games. It is evident, Mr. Speaker, that the taxpayers will have to pay the deficit of the games. The deficits will be paid from tax money.

The question now is: Which taxpayers will foot the bill? Those in Montreal, in Quebec or in Canada as a whole? As I said, Mr. Speaker, the whole country will benefit from the Olympic Games in Montreal. Therefore, we feel the Canadian government should contribute directly, and not only through the Olympic Lottery and the sale of coins, which are an extra levy on the taxpayer. We have no objection to programs such as the Olympic Lottery and the issue of coins, but we believe the federal government should not limit its contribution to these programs, which

cost nothing to the government. I repeat Canadian citizens are paying that money over and above their taxes.

We believe the federal government should announce its willingness to pick up the tab for the olympic deficit. Since the whole country benefits, the whole country must pay. Any other arrangement is unacceptable, because it would put the burden on a fraction only of the Canadian taxpayers, namely Montrealers and Quebecers, whereas Canada as a whole will benefit.

Such has been our position since the Olympic Games were announced, and certainly it is shared by all those who believe the games are the business of all Canadians, in other words the Canadian government.

Let us not forget, Mr. Speaker, that the games will be opened by the chief of state, rather than Quebec's premier or Montreal's mayor. This is another proof that the games are first and foremost the central government's direct responsibility. In that respect, we believe the new lottery announced today by the President of the Treasury Board (Mr. Chrétien) is in no way a federal government initiative to assume their responsibilities, but simply a means of passing the buck to the average citizen who will be facing another tax, albeit voluntary.

Furthermore, Mr. Speaker, I believe that it is difficult to be delighted, because a lottery is opium to mislead people and falsely raise the expectations of the poor.

[*English*]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I ask a question of the President of the Treasury Board—and I am happy, in asking it, to see that the President of the Privy Council is here to hear it. In view of the fact that as House leaders we have had difficulty persuading the President of the Privy Council that there is parliamentary time between now and June 30 to deal with certain important matters in which we are interested, may I ask him how he was able to persuade the President of the Privy Council that there is parliamentary time for this matter before June 30?

[*Translation*]

Mr. Chrétien: Mr. Speaker, it depends on the formula the leaders of all parties would endorse to have a debate on that motion. Substantially, it is the same bill that we had in the past, except that for the next three years, it will be under federal government control and that under the Corporations Act and the Criminal Code, we could create a Crown corporation without having to pass legislation.

However, there are many ways to put forward this project for the approval of the House and I am sure the President of the Privy Council (Mr. Sharp) will have discussions with his counterparts of other parties. We could even proceed by a budget item, if needed, but I would rather submit to the House a motion which would be debated during one day, and then we could have a vote. Or we could accept the suggestion that the opposition leader (Mr. Clark) kindly put to us, that is adopt a bill after all stages in two days.

[*English*]

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in the event the government does not adopt the suggestion that a bill be introduced, what controls will parliament have regarding the allocation of funds after the deficit of the Olympic Games has been met? What provision will there be for parliament to control the disposition of funds coming from a Crown corporation operating a national lottery?

Mr. Chrétien: Mr. Speaker, I intend to bring forth regulations, and so on, at a later time. The Crown corporation will be under a minister and there will be an opportunity, under the normal estimates procedure, for members of the House of Commons to examine the operations of that Crown corporation. Because the money will be coming in until 1979 under federal control, this will be an instrument through which the House of Commons can request an annual presentation to an appropriate committee regarding the operations of this lottery.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, if I understood the minister correctly, he is suggesting that the Crown corporation operating the national lottery will operate under regulation. If those regulations are passed by order in council, they can be altered by order in council. I would ask the minister what guarantee parliament would have that no allocation of funds for any objective or purpose set out in the regulations would be subject to change without being referred to parliament. Does the minister think this is the kind of responsibility which ought to be given to the government, or is this the kind of abdication of power which parliament should be asked to accept?

● (1530)

Mr. Chrétien: I think, Mr. Speaker, that the way I am proposing to do it—and this will come to light later, depending on the procedural activities—is that if we have a Crown corporation established by order in council, we propose to make sure that there will be ample control of the spending and operations of this corporation, more than in respect of any other. There will be a minister directly responsible. Five per cent of his budget will be money coming from that Crown corporation, and he will have to justify the operation of that corporation when he defends his own estimates. In that way, members of parliament will have absolute control over the changes, if there are any, in the regulations that will be passed under this order in council.

Mr. Clark: Mr. Speaker, I am amused that the minister would suggest he would be prepared to introduce a bill. If we would agree to an extremely limited debate on what, in effect, is the appropriation by the government of Canada of an entirely new revenue source over time, I would ask him and his colleague the government House leader, since they apparently have no objection in principle to the introduction of a bill—which obviously is the proper way to proceed—why they are not prepared to introduce a bill without the condition of some kind of a time-muzzle being placed on parliament when we are discussing a matter of this consequence.

Mr. Chrétien: Mr. Speaker, I think one must realize we are in a very difficult time-frame with this operation. There have been many precedents in this House concern-

ing the creation of Crown corporations of this nature, both under Conservative and Liberal administrations.

Mr. Baker (Grenville-Carleton): Not for a lottery.

Mr. Chrétien: Not for a lottery; for the creation of a Crown corporation. The House of Commons had occasion to debate at length a few years ago the pros and cons of a lottery when we approved the Olympics lottery. It was debated and voted on in this House of Commons. Members of parliament cannot claim that they have never had occasion to debate it. It was debated and voted for. The only change at the present time is that this lottery will come under the control of the federal government, rather than the control of the organization in Montreal as is the case now. I am sure the bringing of that lottery under more control by this House of Commons should be the last thing to which the opposition would object.

Mr. Clark: Mr. Speaker, will the minister give us an unqualified guaranteee now that there will be a reference to a standing committee of this parliament which will allow an unfettered examination, after the fact if necessary, of all of the affairs relating to expenditures in regard to the Olympics, and that that kind of examination will not be limited in any way. Can we have that guarantee now?

Mr. Chrétien: Mr. Speaker, the management of the Games and the management of the operation which led to the construction of the stadium, and so on, are not under federal control; they are under the provincial administration and the municipal administration in Montreal. I have spoken to representatives of the Quebec government and with the mayor of Montreal. They have said to me that post facto they would be delighted if there were kind of a look into it and, if needed, an inquiry and that the facts could be passed on to a committee of this House.

However, I do not believe it would be wise for us to move now when for years we have said that the administration of the construction for and the operation of the Games was to be under municipal and provincial administration. If we come in later, after the fact, as the leader of the opposition seems to suggest, this would be terribly unfair, because the House of Commons has never asked the government of Canada to make such control over the Games but, rather, that it help the Games be self-financing. We have voted many schemes in this House and have taken some responsibility in the matter of television and security, but we have left the control with the people in Quebec. I am confident that if there should be something wrong in the operation of the Games, the democratic mechanism in Quebec can take care of that.

Mr. MacDonald (Egmont): Mr. Speaker, I wonder whether the President of the Treasury Board could indicate a couple of things. First of all, in view of the fact that the government has totally changed its position with regard to the operation of a national lottery, and has indicated that by the establishment of this new Crown corporation it would continue to operate, as I understand it, such a lottery in perpetuity, can he indicate, apart from the fact that there is need to finance a considerable aspect of the deficit of the Olympic Games, what in fact are the reasons the government is taking this action?

[Mr. Chrétien.]

Second, in view of the considerable implications there will be, both in terms of the revenue program of the government and in terms of its own future taxation policies, plus the disbursement aspect of cost-sharing with the provinces in the areas of responsibility indicated by the minister, will he tell us whether there has been any consultation with the provinces, because certainly this would be an area in which I think the various provincial governments would have a considerable interest.

Mr. Chrétien: Mr. Speaker, we have decided to proceed with this program until 1979 because we want to carry out the word of this House; and I understood the leader of the opposition to say he would be in favour of a loto financing scheme. This is completely voluntary. No Canadian will be forced to buy tickets. No money will be taken from the federal treasury. This is merely to permit all the citizens of Canada to help people who have organized the Games to finance them.

The reason we are stepping in is that after months of consultation it was not found possible to have an agreement for a lottery operated by the province, and we felt it was our duty to do this at this time because the Olympic Games have had their first Olympics lotteries, which have had great success, and we thought it would just be fair to give them the opportunity to carry on for a few more years so that some additional benefit may be received from all Canadians.

In terms of the financing, whatever is the end result, 40 per cent of the tickets already have been sold in the province of Quebec, and we felt it would be a fair contribution, if Canadians want to do it, to help the Quebec government and the Montreal authorities make sure that these Games will be a great success. Nevertheless, in spite of this scheme the great bulk of the deficit will still rest on the shoulders of the Quebec provincial government and the municipal government. I am merely asking today that all Canadians co-operate in helping the province of Quebec and the citizens of the city of Montreal to make the Olympic Games a great success.

I might say that in spite of the difficulties they have had so far, in terms of technical results and in respect of the organization of the site, everything seems to be on-stream and I am quite confident that the Games will have a great result and all Canadians will be proud of their success. Of course, we are inviting all Canadians to contribute, if they wish to do so, in respect of the deficit of this great national venture.

Mr. MacDonald (Egmont): Mr. Speaker, I am not sure the minister has yet answered the first part of the question. I suppose he indicated, in respect of the second part, that there has been consultation. In respect of the first part, am I right in assuming there is no final end point or self-destruct time in respect of this new Crown corporation to operate a national lottery, or will it expire at the end of three years?

Mr. Chrétien: The way I see it, Mr. Speaker, I want this lottery to go on until 1979. In my statement I mentioned that I would like to discuss with the provinces the future of this lottery after 1979. If there should be a very obvious wish on the part of members of this House that this be

completely destroyed after 1979, I am willing to consider that.

Mr. Clark: Why not write it in?

Mr. Chrétien: The information I have received so far from some provincial governments is that they would like to talk about the possibility of sharing, after 1979, in greater proportion. Now, provinces receive 12.5 per cent of the net proceeds of that lottery. I would like to consider different sharing after 1979, but if it is the wish of the provinces and of members of this House that we use the noose and hang the project after 1979, I, myself, do not mind.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to draw the attention of the minister on the matter of costs. I think that the minister has realized that there is no doubt in the mind of our colleagues of the opposition. We want to support, encourage or assist those who will be called to pay that deficit.

However, Mr. Speaker, I think that as a Canadian and a Quebecer, I know that many Quebecers are greatly concerned about those huge costs. There are surely some justifiable reasons. Now my question is as follows: Could the minister responsible, for the information of those who will defend that legislation, invite the COJO authorities to provide the best possible explanations? Up to now the Canadian people have not been sufficiently informed and that would enable us to support such a measure to the extent that those huge costs are justified. Those are the particulars which we would like to obtain and I wonder what information the minister could provide.

Mr. Chrétien: Mr. Speaker, as I have already indicated, I had discussions with the mayor of Montreal and with the provincial government. They indicated that they wished that the reasons for the frightening escalation of the costs be made public. I believe that their main concern now is to make sure that the Olympic Games will take place and will be a success, and I think that this aspect of the problem will certainly give rise to discussions in Quebec and in Montreal after the Olympic Games. I will be pleased to transmit to the provincial and municipal authorities the wishes of the members of the House and in turn to give the House or an appropriate committee all the information from the government of Quebec.

As for launching a comprehensive inquiry now, interrupting now the project managers and asking them to spend days and days in the corridors of Parliament while they should be terminating their work, I think it would be most inappropriate, all the more so since the provincial and municipal authorities assured me that it will be possible to forward all the information concerning the question asked by the hon. member directly or indirectly to a committee of the House when I will be present to justify the bill or the proposal. As a matter of fact, I would like to have time to discuss it now but unfortunately there are only 5 or 6 weeks left before the House is adjourned and there are a number of precedents when Crown corporations have been established by order in council. I think that such action is justified now, but I would like to appear sometime before a committee of the House to give hon. members all the necessary information.

● (1540)

[*English*]

Mr. Rodriguez: Mr. Speaker, I should like to ask the President of the Treasury Board a question. He said that the bulk of the income received from this Crown corporation running a lottery will go toward covering the deficit of the Olympics. Can the minister tell the House whether that, in fact, puts an onus on the people of Canada—or the parliament of Canada, since a bill will have to be passed by parliament—if the lottery does not raise the amount needed to cover the deficit or any part of it? Will we have backed into supporting that deficit from the general revenues of the country?

Mr. Chrétien: I am happy that the hon. member has put this question to me. My answer is "no". Our only commitment is that as this lottery has been established by Quebec, by the Olympic Games, and has been a great success, we are giving them the opportunity to continue for three more years. If the lottery is a great success, after all, it will bring more revenue after the Games than if it is not a success. But that is the only commitment we have made to them.

The policy of this government is still the same. We do not intend to take any money from the treasury to cover the deficit, but we are willing to allow the operation of this lottery to continue for three more years. Many people were skeptical about the lottery when it was first started two years ago: I was one of them. The government predicted it would bring in revenues to the tune of $90 million. By the time the Games are over, it will be almost three times as much because the response of the Canadian people to it has been very good.

Of course, there is a little of the puritan approach to raising money that way, and being as puritan as anyone else, I had reservations about the lottery. Now I find that Canadians are enjoying the Olympics lottery. Let us consider the example in Ontario, where I think there was the maximum amount of objection to a lottery, but now we find Wintario so profitable as to be an embarrassment to the Tory government in Ontario because they are giving money all over the place and they are embarrassed by the amount of money they are distributing.

Mr. Speaker: Order, please. I would like to conclude the questioning by recognizing, on a supplementary question, the hon. member for Nickel Belt and the hon. member for Battle River followed by the hon. member for Lafontaine-Rosemont and the hon. member for Maisonneuve-Rosemont.

Mr. Rodriguez: Mr. Speaker, I find the minister's answer rather strange. At present the lottery is run by the organization which is running the Olympics. The provincial government of Quebec has stepped in to take over responsibility for getting the facilities ready; therefore, they have accepted the responsibility. Why would the minister not allow the province of Quebec to be responsible for the lottery, rather than having the parliament of Canada sponsor a national lottery? After all, Wintario, as he has pointed out—which was sponsored by the province of Ontario—

has been successful. The western provinces are getting together to put on their own lottery. It seems to me that financing the Olympics should be the responsibility of the government which has accepted responsibility for the Games.

Mr. Chrétien: The answer to that question is that the Quebec government has tried to secure the approbation of the other provinces to carry on with the lottery after next August, and there are only a few which have agreed to one more "tirage", to use a good French word, or draw, following which the lottery could not operate any longer. That is why we have had to step in to establish a national lottery in order to achieve goals which everyone seems to favour apart from some members of the hon. member's party. It is strange to see that party supporting the establishment of a lottery in the western provinces such as Saskatchewan, Manitoba and British Columbia a few years ago, and to hear now their representatives in the federal government exhibit a guilty conscience when it comes to a lottery at the national level. I am rather surprised at this double standard.

Mr. Knowles (Winnipeg North Centre): I am opposed to it at all levels.

Mr. Malone: My question arises out of concern for some sectors of our economy with respect to this lottery. This has already been indicated previously. I should like to ask the minister whether any research has been done in connection with the concept of a lottery as to the sectors of our economy from which the people who buy lottery tickets come—whether they are from the lower economic sector or the middle class. I thing it is relevant, because if the government is going to use lotteries as an ongoing practice for raising funds, then it switches away from a progressive income tax system to one that is retrogressive and puts the burden on the backs of people in the lower socioeconomic bracket.

Mr. Chrétien: My understanding is that the tickets are bought all across the board by people from all classes in our society. But generally speaking, if a person who makes $5,000 a year buys one ticket, he is using more of his income to pay for that ticket than a person who makes $50,000 a year. I think the burden is heavier on the lower income people than on the middle-class people, because people do not usually buy a pile of tickets but only one or two.

[*Translation*]

Mr. Lachance: Mr. Speaker, as a member of the Montreal area, I want to thank the minister for his decision to extend the Olympic Lottery program for a three year period.

In view of the tremendous success of the Olympic Lottery, could the minister tell the House whether forecasts have been made concerning the amount which could then be allocated for the financing of the Olympic deficit over a three year period, from the returns of the future Canadian lottery?

Mr. Chrétien: The amount?

Mr. Lachance: —the forecasts of the amounts?

[Mr. Rodriguez.]

Mr. Chrétien: Well, Mr. Speaker, it really depends on the success of this lottery, and there are two items which are to be taken into account.

First, the national lottery we want to establish will have four draws a year instead of three, and I do not know if, with four draws a year, the number of tickets sold for each draw will diminish. Second, as far as revenues are concerned, a certain amount, which we still do not know, will have to be spent to finance the deficit, if any, of the Commonwealth Games in Edmonton. The combination of these two elements creates a certain degree of uncertainty, but we can already assess that the amount will rise to about $300 million.

Mr. Joyal: Mr. Speaker, I would like to take this opportunity to thank the President of the Treasury Board for his initiative today and I am certain that my sentiment is shared by the hon. member for Kingston and the Islands (Miss MacDonald). I would like to ask the President of the Treasury Board first how much of the 82.5 per cent which were to be used for financing the 1976 and 1978 games will be allocated to the 1976 summer games and to the Commonwealth Games and then if these funds will be used to finance both the administration and capital expenses of games.

Mr. Chrétien: Mr. Speaker, I have just said that I do not know exactly which amount will be allocated to the Commonwealth Games in Edmonton, because we have already launched a fairly important assistance program for these games. As for the money itself, the revenues, they will be used to finance the deficit of the Olympic Games. Of course, the COJO will self-finance itself, which means that the organization of the Olympic Games will finance itself. I think that the deficit will come mainly from the necessary infrastructure for the holding of the games, and the money will be used to finance this particular deficit because, as I have already said, the COJO, with its self-financing programs of stamps, coins and the lottery will have managed to finance itself.

* * *

● (1550)

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 3,843, 3,844, 3,854, 4,094, 4,095, 4,932, 4,960, 4,966, 5,065 to 5,074 inclusive, 5,111, 5,137, 5,218, 5,238, 5,256, 5,331 to 5,334 inclusive, 5,364 and 5,365.

[*Text*]

PEI COMPREHENSIVE DEVELOPMENT PLAN

Question No. 3,843—**Mr. MacDonald (Egmont):**

1. With reference to the fishing sector of the Prince Edward Island Development Plan, what measures have been taken to achieve the objectives included in the Fisheries Development Programme of (a)

developing quality control practices (b) monitoring quality at market level (c) integrating waste product use with anti-pollution controls?

2. Are there specific criteria for evaluating the effectiveness of such measures and, if so (a) what are they (b) what progress has been made in reaching the objectives?

3. Are further measures (a) planned (b) under consideration and, if so, what are they?

Mr. George Baker (Parliamentary Secretary to Minister of State (Fisheries)): 1. (a) and (b) The development of quality control practices and inspection of fish and fish products related to interprovincial and export trade is a continuing function of the Inspection Branch, Fisheries and Marine Service, Environment Canada. This function is not directly related to the fisheries sector of the Prince Edward Island Development Plan. (c) The general policy of Environment Canada is to integrate waste product use with anti-pollution controls insofar as it is practical to do so.

2. Not within the P.E.I. Development Plan.

3. The Fish Inspection Branch of Environment Canada, under its program, is continually studying ways to improve fish quality.

PEI COMPREHENSIVE DEVELOPMENT PLAN

Question No. 3,844—**Mr. MacDonald (Egmont)**:

With reference to the fishing sector of the Prince Edward Island Comprehensive Development Plan, what measures are (a) planned (b) under consideration for Phase 2 to provide to fishermen (i) catch failure insurance (ii) price supports (iii) productivity incentives?

Mr. George Baker (Parliamentary Secretary to Minister of State (Fisheries)): None. The Fisheries and Marine Service of Environment Canada is studying a program of Net Revenue Stabilization for all Canadian fishermen. The Department also recently announced a $44 million temporary assistance program to take effect on April 1, 1976 under which direct payments will be made to all groundfish fishermen for first quality food fish. Fish processors will also benefit from this program which is not related to the fisheries sector of the Prince Edward Island Comprehensive Development Plan.

PEI COMPREHENSIVE DEVELOPMENT PLAN

Question No. 3,854—**Mr. MacDonald (Egmont)**:

1. With reference to the Port Consolidation Programme under the fishing sector of the Prince Edward Island Comprehensive Development Plan (a) what new facilities have been and/or are being built (i) at which ports (ii) what was and is the cost of constructing each (b) what new facilities are presently planned (i) for which ports (ii) at what cost for each (c) what facilities and at what ports have been (i) abandoned (ii) allowed to deteriorate below pre-programme levels of upkeep and what is the estimated saving in upkeep from such measures in 1974?

2. For each port (a) designated (b) not designated under the Programme, what has been the change in usage figures between the year in which the Programme was first implemented and 1974?

3. What is the estimated loss of income to non-designated ports as a result of the Programme?

4. What is the estimated total increase in fuel costs (boat and car) to fishermen as a result of travelling further to designated ports?

Mr. George Baker (Parliamentary Secretary to Minister of State (Fisheries)): 1. (a) (i) and (ii) 1974: West Point—skidway, $16,000; Launching Pond—landing extension, $100,000; Beach Point—wharf extension and dredging, $100,000; Red Head—landing extension, $40,000; North Lake—wharf extension, $70,000. 1975: North Lake—wharf extension, $55,000; Beach Point—wharf and dredging, $230,000; Skinners Pond—wharf reconstruction, $72,000. 1976: Alberton—wharf and fill, $150,000; Beach Point—wharf extension and dredging, $20,000; Miminegash—wharf extension, $100,000; French River—wharf extension, $100,000. (b) (i) and (ii) Alberton—wharf and fill, $100,000; Howards Cove—landing extension, $100,000; Launching Pond—landing extension, $26,000; Malpeque—landing extension, $120,000; Naufrage—landing extension, $80,000; Red Head—landing, $50,000; Rustico—harbour improvements, $450,000; Skinners Pond—harbour improvements, $700,000; West Point—breakwater improvements, $500,000; Tignish—south breakwater extension, $150,000; Rustico (Robinsons Island)—harbour improvements, $2,000,000 est. (c) (i) Anglo Rustico, South Rustico, Basin Head, Cape Traverse, Chapel Point, Haydens, Sturgeon Bridge, Kiers Shore, Little Sands, MacFarlans Cove, MacPhersons Cove, North Cardigan, Poplar Point, Rocky Point. (c) (ii) the above stuctures have been allowed to deteriorate below acceptable standards due to the changes in the level of fishing activity. Savings in upkeep have not been calculated.

2. (a) Savage Harbour, Naufrage, North Lake, Graham's Pond, Launching Pond, Beach Point, Wood Island, Red Head, French River (South), Malpeque, Tracadie, Rustico, Milligan's Shore, Alberton, Tignish, Skinner's Pond, Miminegash, Howards Cove, West Point, Egmont Bay. (b) Approximately 75 other harbours have not been designated under the program, of which 14 are being abandoned. Most of the 60 remaining undesignated harbours will be maintained. Usage information is not available.

3. There has been no appreciable change in usage to date because the program has not been in effect long enough for the expected transitions to take place. It is estimated that there has been no net loss of income.

4. To date, the fishermen are still operating at both designated and non-designated ports. It is estimated that there will be no net average increase in fuel costs.

MELVILLE (HAY) ISLAND—LAND PURCHASE BY PARKS CANADA

Question No. 4,094—**Mr. Cossitt**:

1. With reference to the statement by the Minister of Indian Affairs and Northern Development in January, 1976 that his Department would be acting "in bad faith if we did not continue through to the conclusion of a sales agreement" with the owners of the largest part of Melville (or Hay) Island in the St. Lawrence River because of the advanced state of negotiations (a) what are the names and job designations of all persons conducting such negotiations on behalf of the government (b) what are the names and addresses of all persons conducting such negotiations on behalf of the owners of Melville (or Hay) Island (c) on what date and in what locations did such negotiations take place?

2. Is the Minister aware that this island was still listed for sale on February 1, 1976 with real estate agents and available for purchase on the open market?

3. In what way does the government account for this obvious discrepancy between the Minister's statement and, if negotiations are not advanced for government purchase, will the Minister agree to extend the freeze on land purchases in the area by Parks Canada to include Melville (or Hay) Island?

Order Paper Questions

Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development): 1. (a) It is not in the tradition of a non political public service to disclose names of officials who perform tasks in the course of their duty. (b) Bickerton Agencies Ltd., 395 Pine St., Gananoque. (c) Contact was established with the agent in Gananoque, August 20, 1975 and discussions held concerning possible purchase. Subsequent contact was primarily by telephone up to December 12, at which time all works was suspended. Negotiations were resumed February 6 at which time it was agreed an option to purchase would be submitted.

2. Yes. Negotiation for acquisition on behalf of Parks Canada does not require the property to be withdrawn from the open market.

3. Negotiation for Hay Island was undertaken in good faith by both parties up to but not including a definite commitment prior to the decision to freeze acquisition. While no legal commitment was made, negotiations were undertaken with the reasonable expectation of an option being offered. With the announcement on park expansion and the subsequent withdrawal of our presence as a potential buyer on the open market, those who legitimately hoped to dispose of properties have been adversely affected to the extent that other potential purchasers are reluctant to take any action. Because the course of events has had a probable detrimental effect on the value of the particular properties we considered as priority purchases, it was felt we should proceed. We do not feel the purchase of part of Hay Island will prejudice the intent to actively encourage the participation of all levels of government and private interests in the preparation of a park and discussions on expansion.

WALLACE ISLAND—LAND PURCHASE BY PARKS CANADA

Question No. 4,095—**Mr. Cossitt:**

1. With reference to the statement by the Minister of Indian Affairs and Northern Development in January 1976 that his Department would be acting "in bad faith if we did not continue through to the conclusion of a sales agreement" with the owners of Wallace Island in the St. Lawrence River because of the advanced state of negotiations (a) what are the names and job designations of all persons conducting such negotiations on behalf of the government (b) what are the names and addresses of all persons conducting such negotiations on behalf of the owners of Wallace Island (c) on what date and in what locations did such negotiations take place?

2. Is the Minister aware that the owners of Wallace Island told a public meeting at Escott, Ontario, on February 14, 1976, that (a) the island has not been for sale (b) the island is not for sale (c) they have never had any negotiations with the government on the matter nor has anyone else acting on their behalf?

3. In what way does the government account for those discrepancies between the Minister's statement and the statement by the owners of Wallace Island and, if the government has not conducted negotiations for Wallace Island, will the Minister agree to extend the freeze on land purchases in the area by Parks Canada to include Wallace Island?

Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development): 1. (a) It is not in the tradition of a non political public service to disclose names of officials who perform tasks in the course of their public duty. (b) Bickerton Agencies Ltd., 395 Pine St., Gananoque. (c) Contact was established with the agent September 9, 1975 in Gananoque and subsequent discussions, primarily by telephone continued to December 12, at which time all further work ceased. Negotiations were resumed February 6.

2. Yes. I am aware that a person, who apparently has an interest in the larger portion of Wallace Island, made such comments.

3. The discrepancy appears to stem from information which my Department considered valid upon which to act and the subsequent actions of certain persons claiming to own property on Wallace Island. My Department was advised in writing on August 25, 1975 by Bickerton Agencies that two properties, which when combined comprised the whole of Wallace Island, were for sale and a value quoted. In an ensuing assessment of priorities to meet fiscal restraints it was decided to pursue only the smaller parcel. Accordingly negotiations were not continued for the larger parcel. Because of difficulties encountered in determining who represents the owner of the smaller parcel no recent negotiations have taken place. In light of this I am having all of Wallace Island included in the freeze.

MONEY OWING TO MR. RICHARD HOLDEN

Question No. 4,932—**Mr. Herbert:**

Is any money owed by the government to Montreal lawyer Mr. Richard Holden, and (a) if so (i) in what amount (ii) for what services (b) if not, is there an unsettled claim from Mr. Holden?

Hon. Ron Basford (Minister of Justice): There is no money owed to Mr. Richard Holden by the Government of Canada. Mr. Holden submitted an account to the Minister of Justice in relation to legal services rendered at the request of Mr. Justice Kenneth C. MacKay in the prosecution of the Honourable André Ouellet for contempt of court. This account was for a total amount of $21,053.02 for fees and disbursements. The account has been forwarded to the Minister of Justice of the Province of Quebec as the prosecution of this matter falls within the jurisdiction of this Province.

GOVERNMENT ASSISTANCE TO LES ÉQUIPEMENTS LAPORTE INC.

Question No. 4,960—**Mr. Kempling:**

Was a grant, loan or other assistance given to Les équipements Laporte Inc., Granby, P.Q., by the Department of Industry, Trade and Commerce in the fiscal year (a) 1974-75 (b) 1975-76 and, if so (i) in what amount (ii) for what purpose?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as the Department of Industry, Trade and Commerce is concerned the answer is nil.

RMC—FRENCH SPEAKING TEACHERS AND CONSTRUCTION

Question No. 4,966—**Mr. McKenzie:**

1. How many French speaking faculty members have been hired at the Royal Military College, Kingston, Ontario since January 1, 1975 (a) what were the criteria for hiring them (b) what courses do they teach (c) what is their total combined annual salary (d) how were the positions advertised (e) in what publications (f) at what cost?

2. (a) How many has the Treasury Board approved for the 1976-77 academic year (b) how many will the College request for the 1977-78

academic year (c) how are their salaries determined (d) by what department are their salaries negotiated?

3. Has a decision been made to build a new classroom development at the College for the bilingual programme and, if so (a) who authorized it (b) what are the criteria for the building (c) who designed it (d) at what cost (e) were tenders called for the design and, if so, was the lowest tender accepted?

4. Were tenders called for the construction of the building and, if so (a) how many firms offered bids (b) what was the (i) highest (ii) lowest bid (c) what is the name of the firm that was awarded the contract and was this the lowest tender?

Hon. James Richardson (Minister of National Defence): 1. Five (a) Criteria for hiring was professional qualification to teach at the third year university level in the specialty with doctorates preferred. (b) Electrical Engineering, Engineering (Physics), Chemical Engineering, Mathematics. (c) $88,700. (d) Advertisements in professional journals, daily newspapers and direct approach to Deans of Engineering of Canadian Universities. (e) *La Presse*, Montreal; *Le Devoir*, Montreal; *The Gazette*, Montreal; *La Tribune*, Sherbrooke, P.Q.; *Le Soleil*, Quebec City; *Le Droit*, Ottawa; *Globe and Mail*, Toronto; *University Affairs; Journal of the Chemical Institute of Canada; The Journal of the Association of Universities and Colleges of Canada; The Journal of Physics in Canada; Canadian Association of University Teachers* (a journal); *Order of Engineers of Quebec* (Journal); *The Engineering Journal; Chemistry in Canada.* (f) $3,406.30.

2. (a) Forty-three. (b) Ten man-years in addition to the 43 man-years approved for 1976/77. (c) Salaries are determined in accordance of scale of pay for University Teachers as approved by the Treasury Board. (d) Treasury Board.

3. Yes. (a) Treasury Board. (b) 55 faculty offices (3 at 225 sq. ft.; 52 at 150 sq. ft.); 22 research and lab areas varying in size from 300 to 1,000 sq. ft.; one computer science area (approx. 3,700 sq. ft.); instruction areas in the form of 25 syndicate rooms, 5 classrooms, and 2 amphitheatres varying in size from 420 to 1,260 sq. ft.; miscellaneous areas approx. 5,100 sq. ft. for storage, administration, lunch rooms and rest rooms. (c) The firm of Mathers and Haldenby. (d) $258,565.83. (e) No.

4. Yes. The construction was implemented by two separate contracts. One was for the addition of a North Wing to the Massey Library and the other one for outside services (i.e. utilities and landscaping). (a) North Wing, four; outside services, two. (b) North Wing (i) $4,783,160. (ii) $4,389,000. Outside services (i) $1,204,900. (ii) $994,300. (c) North Wing,—Bramalea General Contractor (Peel) Ltd. of Bramalea, Ont., who was the lowest bidder. Outside services—Taggart Construction Ltd. of Ottawa, Ont., who was the lowest bidder.

NOVA SCOTIA—FUNDS INVESTED FOR RESTORATION OF HISTORIC SITES

Question No. 5,065—**Mr. Caouette (Témiscamingue):**

1. Since the inception of Heritage Canada, how much did the government invest in the Province of Nova Scotia for the restoration of historic sites?

2. (a) How many historic sites have been restored (b) what is the name and location of each (c) what amount was granted for such restoration in each case (d) by year, how many permanent jobs were created for the administration and maintenance of such sites?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. $5,000,006. (to Feb. 27/76)

2. (a) Nine. (b) (i) Alexander Graham Bell—Baddeck. (ii) Grand Pré—Grand Pré. (iii) Halifax Citadel—Halifax. (iv) Port Royal—near Annapolis Royal. (v) York Redoubt—Halifax (Purcell Cove). (vi) Fort Charlotte—George's Island, Halifax Harbour. (vii) Fort Anne—Annapolis Royal. (viii) Fortress of Louisbourg—Louisbourg. (ix) Halifax Waterfront Buildings—Halifax. (c)(i) $417,800. (ii) $2,700. (iii) $527,900. (iv) $42,800. (v) $88,500. (vi) $30,000. (vii) $42,200. (viii) $4,051,600. (ix) $625,500.

	1973-74	1974-75	1975-76 (to February 27, 1976)
(d) (i)	0	0	1
(ii)	0	0	1
(iii)	1	0	0
(iv)	0	0	0
(v)	0	0	0
(vi)	0	0	0
(vii)	0	0	1
(viii)	3	1	5
(ix)	0	0	0

PEI—FUNDS INVESTED FOR RESTORATION OF HISTORIC SITES

Question No. 5,066—**Mr. Caouette (Témiscamingue):**

1. Since the inception of Heritage Canada, how much did the government invest in the Province of Prince Edward Island for the restoration of historic sites?

2. (a) How many historic sites have been restored (b) what is the name and location of each (c) what amount was granted for such restoration in each case (d) by year, how many permanent jobs were created for the administration and maintenance of such sites?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. $61,786 (to February 27 1976)

2. (a) Three. (b)(i) Fort Amherst—Rocky Point, near Charlottetown. (ii) Pope House—Charlottetown. (iii) Government House—Charlottetown. (c)(i) $42,900. (ii) 7,600. (iii) 8,700.

	1973-74	1974-75	1975-76 (to February 27, 1976)
(d) (i)	0	1	0
(ii)	0	0	0
(iii)	0	0	0

Order Paper Questions

SASKATCHEWAN—FUNDS INVESTED FOR RESTORATION OF HISTORIC SITES

Question No. 5,067—**Mr. Caouette (Témiscamingue):**

1. Since the inception of Heritage Canada, how much did the government invest in the Province of Saskatchewan for the restoration of historic sites?

2. (a) How many historic sites have been restored (b) what is the name and location of each (c) what amount was granted for such restoration in each case (d) by year, how many permanent jobs were created for the administration and maintenance of such sites?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. $953,797 (to February 27 1976)

2. (a) Four. (b)(i) Battleford—Battleford. (ii) Batoche—Batoche. (iii) Motherwell Homestead—near Abernathy. (iv) Fort Walsh—near Maple Creek. (c)(i) $93,800. (ii) 60,200. (iii) 49,000. (iv) 892,600.

	1973-74	1974-75	1975-76 (to February 27, 1976
(d) (i)	3	1	2
(ii)	0	0	1
(iii)	0	0	0
(iv)	1	2	2

QUEBEC—FUNDS INVESTED FOR RESTORATION OF HISTORIC SITES

Question No. 5,068—**Mr. Caouette (Témiscamingue):**

1. Since the inception of Heritage Canada, how much did the government invest in the Province of Quebec for the restoration of historic sites?

2. (a) How many historic sites have been restored (b) what is the name and location of each (c) what amount was granted for such restoration in each case (d) by year, how many permanent jobs were created for the administration and maintenance of such sites?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. $3,499,976 (to February 27 1976). 2. (a) 13. (b)(i) Croix Jacques Cartier—Gaspé. (ii) Cartier House—Montréal. (iii) Maison Laurier—Villes des Laurentides. (iv) Fort Témiscamingue—near the town of Ville Marie. (v) Québec City—Walls and Gates—Québec City. (vi) Cartier-Brébeuf—Québec City. (vii) Fort Lévis—Lévis. (viii) Parc de l'Artillerie—Québec City. (ix) Les Forges du Saint-Maurice—Trois Rivières. (x) Carillon Barracks—Carillon. (xi) Fort Chambly—Chambly. (xii) Coteau-du-lac—Coteau-du-Lac. (xiii) Fort Lennox—Île-aux-Noix.

2. c)(i) $ 2,400. (ii) 31,200. (iii) $ 2,200. (iv) $ 80,800. (v) $466,870. (vi) $186,600. (vii) $247,600. (viii) $1,756,900. (ix) $204,000. (x) $38,600. (xi) $101,700. (xii) $31,700. (xiii) $604,300.

	1973-74	1974-75	1975-76 (to February 27, 1976)
(d) (i)	0	0	0
(ii)	0	0	0
(iii)	1	0	0
(iv)	0	0	0
(v)	1	0	0
(vi)	2	0	1
(vii)	−1	0	0
(viii)	1	4	0
(ix)	0	1	3
(x)	0	4	0
(xi)	1	−1	0
(xii)	1	−1	0
(xiii)	0	−1	0

NEWFOUNDLAND—FUNDS INVESTED IN RESTORATION OF HISTORIC SITES

Question No. 5,069—**Mr. Caouette (Témiscamingue):**

1. Since the inception of Heritage Canada, how much did the government invest in the Province of Newfoundland for the restoration of historic sites?

2. (a) How many historic sites have been restored (b) what is the name and location of each (c) what amount was granted for such restoration in each case (d) by year, how many permanent jobs were created for the administration and maintenance of such sites?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. $452,177 (to February 27 1976).

2. (a) Six. (b)(i) Signal Hill, St. John's. (ii) Cape Spear, near St. John's. (iii) Castle Hill, Placentia. (iv) L'Anse aux Meadows, 25 miles north of St. Anthony. (v) Port au Choix, Port au Choix. (vi) Moravian Mission, Hopedale, Labrador. (c) (i) $134,500. (ii) $11,800. (iii) $96,600. (iv) $187,550. (v) $116,200. (vi) $12,000.

	1973-74	1974-75	1975-76 (to February 27, 1976)
(d) (i)	0	1	1
(ii)	0	0	0
(iii)	0	0	0
(iv)	1	0	1
(v)	0	0	1
(vi)	0	0	0

NEW BRUNSWICK—FUNDS INVESTED FOR RESTORATION OF HISTORIC SITES

Question No. 5,070—**Mr. Caouette (Témiscamingue):**

1. Since the inception of Heritage Canada, how much did the government invest in the Province of New Brunswick for the restoration of historic sites?

2. (a) How many historic sites have been restored (b) what is the name and location of each (c) what amount was granted for such restoration in each case (d) by year, how many permanent jobs were created for the administration and maintenance of such sites?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. $360,324 (to February 27, 1976).

2. (a) Three. (b)(i) St. Andrews Blockhouse, St. Andrews. (ii) Fort Beauséjour, Aulac. (iii) Fredericton Military Compound, Fredericton. (c)(i) $9,000. (ii) $208,-950. (iii) $153,000.

	1973-74	1974-75	1975-76 (to Febuary 27, 1976)
(d) (i)	0	0	0
(ii)	1	0	1
(iii)	0	0	0

BRITISH COLUMBIA—FUNDS INVESTED FOR RESTORATION OF HISTORIC SITES

Question No. 5,071—**Mr. Caouette (Témiscamingue):**

1. Since the inception of Heritage Canada, how much did the government invest in the Province of British Columbia for the restoration of historic sites?

2. (a) How many historic sites have been restored (b) what is the name and location of each (c) what amount was granted for such restoration in each case (d) by year, how many permanent jobs were created for the administration and maintenance of such sites?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development):
1. $530,142 (to February 27, 1976).

2. (a) Four. (b)(i) Fort St. James, Fort St. James. (ii) Fort Langley, near Langley. (iii) Fort Rodd Hill, Victoria. (iv) St. Roch, Vancouver. (c)(i) $371,900. (ii) $59,200. (iii) $207,000. (iv) $55,000.

	1973-74	1974-75	1975-76 (to February 27, 1976)
(d) (i)	0	1	0
(ii)	5	0	0
(iii)	0	0	1
(iv)	0	0	0

ALBERTA—FUNDS INVESTED FOR RESTORATION OF HISTORIC SITES

Question No. 5,072—**Mr. Caouette (Témiscamingue):**

1. Since the inception of Heritage Canada, how much did the government invest in the Province of Alberta for the restoration of historic sites?

2. (a) How many historic sites have been restored (b) what is the name and location of each (c) what amount was granted for such restoration in each case (d) by year, how many permanent jobs were created for the administration and maintenance of such sites?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development):
1. $145,959 (to February 27, 1976).

2. (a) One. (b)(i) Rocky Mountain House, Rocky Mountain House. (c)(i) $75,300.

	1973-74	1974-75	1975-76 (to February 27, 1976)
(d) (i)	1	0	0

ONTARIO—FUNDS INVESTED FOR RESTORATION OF HISTORIC SITES

Question No. 5,073—**Mr. Caouette (Témiscamingue):**

1. Since the inception of Heritage Canada, how much did the government invest in the Province of Ontario for the restoration of historic sites?

2. (a) How many historic sites have been restored (b) what is the name and location of each (c) what amount was granted for such restoration in each case (d) by year, how many permanent jobs were created for the administration and maintenance of such sites?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development):
1. $1,165,408 (to February 27, 1976).

2. (a) Nine. (b)(i) Bellevue House, Kingston. (ii) Fort Malden, Amherstburg. (iii) Niagara Complex, Niagara Peninsula. (iv) Fort Wellington, Prescott. (v) Woodside, Kitchener. (vi) Fort St. Joseph, St. Joseph Island. (vii) Sir John Johnson House, Williamstown. (viii) Inverarden House, Cornwall. (ix) Rideau Canal. (c)(i) $94,200. (ii) $103,700. (iii) $674,000. (iv) $97,750. (v) $38,600. (vi) $296,-600. (vii) $102,600. (viii) $7,000. (ix) $114,800.

	1973-74	1974-75	1975-76 (to February 27, 1976)
(d) (i)	0	1	2
(ii)	1	1	1
(iii)	−1	1	1
(iv)	0	1	0
(v)	0	1	0
(vi)	0	0	1
(vii)	0	0	0
(viii)	0	0	0
(ix)	—	—	—

MANITOBA—FUNDS INVESTED FOR RESTORATION OF HISTORIC SITES

Question No, 5,074—**Mr. Caouette (Témiscamingue):**

1. Since the inception of Heritage Canada, how much did the government invest in the Province of Manitoba for the restoration of historic sites?

2. (a) How many historic sites have been restored (b) what is the name and location of each (c) what amount was granted for such restoration in each case (d) by year, how many permanent jobs were created for the administration and maintenance of such sites?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development):
1. $301,069 (to February 27, 1976).

2. (a) One. (b)(i) Lower Fort Garry, Selkirk. (c)(i) $513,400.

	1973-74	1974-75	1975-76 (to February 27, 1976)
(d) (i)	2	0	4

Order Paper Questions

COMMERCIAL VALUE OF FISHERIES HARVEST—ATLANTIC AND PACIFIC COASTS

Question No. 5,111—**Mr. Forrestall:**

What is the government's best estimate of the commercial value of the annual fisheries harvest taken within 200 miles of the (a) Atlantic (b) Pacific shores?

Mr. George Baker (Parliamentary Secretary to Minister of State (Fisheries)): The commercial (landed) value of the annual fisheries harvest taken by all countries (including Canada) within 200 miles of the Canadian coasts is estimated for the year 1974 at: (a) Atlantic Coast $350 million. (b) Pacific Coast $125 million. Prices received by Canadian fishermen were used to estimate the value of foreign catches.

HALIFAX INTERNATIONAL AIRPORT—CAR PARKING

Question No. 5,137—**Mr. Crouse:**

1. What method does the Department of Transport use to facilitate public parking at the Halifax International Airport?

2. (a) Who is responsible for the operation of such public parking (b) how was the decision reached (c) for what period of time is it to be operated under the present arrangements?

3. Is the public parking facilities at the Airport satisfactory from the point of view of demand and, if not, what efforts does the Department intend to undertake to provide additional space?

4. Have any complaints been directed to the Department relating to inadequate parking space?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): 1. To facilitate short-term public parking, 60 metered parking positions are provided. These spaces are metered for one hour parking duration. In addition to short-term parking, a parking lot which accommodates 729 cars is provided for long-term parking.

2. (a) The metered parking is administered by Transport Canada officials. The public parking lot at Halifax International Airport is operated under a management fee contract for Transport Canada. Canadawide Parking Services Ltd. is the present operator of the parking facility. (b) The decision to award the contract to Canadawide Parking Services Ltd. was reached by means of a public tender call. (c) The present contract expires August 31, 1976 and Transport Canada will call public tenders in the very near future.

3. The parking lot is inadequate to meet the demand. Expansion of the facility to accommodate an additional 502 cars is included in the Airport Development Plan for year 1977/78. The inadequacy has been recognized for some time, however the project has had to be deferred in favour of other local projects of higher priority.

4. No complaints have been recorded.

TORONTO INTERNATIONAL AIRPORT—COST FOR IMPROVEMENTS

Question No. 5,218—**Mr. Stevens:**

1. What is the total estimated cost for improvements now underway at Toronto International Airport for (a) Terminal Number 1 (b) Terminal Number 2 and, in each case (i) what is the nature of the improvements (ii) on what date will they be completed?

[Mrs. Campagnolo.]

2. (a) What was the total cost to the government for the destruction of the Shell Service Station facility required presumably as a result of the improvements to Terminal Number 2 (b) what was the nature of the costs (c) what compensation was paid to the owners or operators of the Station (d) on what date was the Station (i) opened for business (ii) closed?

3. What was the original total cost for (a) Terminal Number 1 (b) Terminal Number 2 and, in each case, on what date was it first opened for business?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): 1. (a) $21,301,000 in November, 1975 dollars. (i) This consists of Terminal Building modifications to structural, architectural, mechanical and electrical work related to vertical transportation, west court modifications, holdroom expansion, public arrivals waiting room, international inspection and inbound baggage systems; outbound baggage system and air conditioning. (ii) December 31, 1978. (b) $41,088,000 in November, 1975 dollars. (i) This consists of approximately 750 feet expansion to Terminal Building including structural, architectural, mechanical and electrical works associated with Stage 3 imporvements and to the interface with the parking structure project; furniture and furnishings; environmental improvements; Apron expansion associated with Terminal II and related services; elevated road (curb) construction and other areas requiring finishes such as tenant relocation and improvement facilities. (ii) September 30, 1978.

2. (a) $57,637.40 paid to date, balance due contractor $6,288.60. (b) Demolish, excavate, backfill, remove and dispose of the abandoned service station including underground tanks, roofs, etc. (c) $400,000. (d) (i) August 1, 1964. (ii) August 1, 1975.

3. (a) $24,460,000. February 20, 1964. (b) $39,413,000. April 1, 1973.

NOTE (1): The cost figures for question 3 do not include utilities services, roads, furnishings and fixtures.

HALIFAX—DARTMOUTH PORT—SHED RENTAL CHARGES

Question No. 5,238—**Mr. Forrestall:**

What is the present position of the Minister of Transport on the shed rental charges to be imposed on the Port of Halifax-Dartmouth by the National Harbours Board in June 1976?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Since the proposed marine terminal policy was proposed for discussion last year, the National Harbours Board has received valuable comments from various groups. In response to the suggestions, the original proposal was recently amended and will be reviewed by the Port Authority Chairmen concerned later this month. No decision has been made regarding implementation of the effective date thereof.

CUSTOMS PRE-CLEARANCE AT INTERNATIONAL AIRPORTS

Question No. 5,256—**Mr. Lambert (Edmonton West):**

Was a notification sent by April 1, 1976, to the Government of the United States by the government as required under the Canada-United States Bilateral Air Agreement for the introduction of customs preclearance at international airports and, if not, for what reason?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The Government's intention to introduce pre-clearance at Edmonton and Calgary in the fall of 1977 was recorded in a Memorandum of Consultation between the Canadian and United States delegations signed at Ottawa on March 4, 1976. As further recorded in that Memorandum, the two delegations have also agreed to hold a technical meeting at the end of April to approve final plans.

NEW INVESTMENT PROPOSAL

Question No. 5,331—**Mr. Nystrom:**

1. Was a new investment proposal made by Borsig GMBH of West Germany, a wholly-owned subsidiary of Babcock, also of West Germany, and Hartmann Patentverwertung GMBH of Switzerland, to establish a new business in Calgary, Alberta, under the name Borsig Hartmann Valve Ltd., a business to be engaged in the manufacture of a broad range of ball valves, largely for sale to the oil and gas industry and, if so, what is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

2. Who are the principal shareholders of Babcock of West Germany and Hartmann Patentverwertung GMBH of Switzerland?

3. Do Babcock of West Germany and Hartmann Patentverwertung GMBH of Switzerland control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by percent of control and value?

4. What will be the effect of the establishment of this petroleum refinery on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts, components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada?

5. How many persons will be employed once the new plant is established?

6. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

7. How will the establishment of this plant be (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the new plant?

8. What is the significant benefit to Canada of the transaction?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as the Foreign Investment Review Agency is concerned: an investment proposal to establish a new business in Calgary, Alberta was made by Borsig GMBH of West Germany and Hartmann Patentverwertung GMBH of Switzerland. The proposal was allowed by the Governor in Council on April 6, 1976 (P. C. 1976-816). All information with respect to a person, business or proposed business obtained in the course of the administration of the Foreign Investment Review Act is privileged and may not be released except as provided in section 14 of that Act.

COMPANY TAKEOVERS

Question No. 5,332—**Mr. Nystrom:**

1. In the takeover of Dispenser Division of The Oshawa Group Limited of Islington, Ontario by Moccomat Beverage Systems Limited of Islington, Ontario which is controlled by Douwe Egberts Koninklijke Tabaksfabriek Koffiebranderijen Theehandel B.V. of the Netherlands, what percentage of control will Moccomat Beverage Systems Limited of Islington, Ontario—a company controlled by Douwe Egberts Koninklijke Tabaksfabriek Koffiebranderijen Theehandel B.V. of the Netherlands acquire?

2. What is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

3. Who were the principal shareholders of Dispenser Division of The Oshawa Group Limited of Islington, Ontario and what control, if any, will they retain in the company?

4. Who are the principal shareholders of Douwe Egberts Koninklijke Tabaksfabriek Koffiebranderijen Theehandel B.V. of the Netherlands and what are their holdings in the company?

5. Does Douwe Egberts Koninklijke Tabaksfabriek Koffiebranderijen Theehandel B.V. of the Netherlands control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by per cent of control and value?

6. What will be the effect of the takeover on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada (g) employment within Dispenser Division of The Oshawa Group Limited of Islington, Ontario and within the industry?

7. (a) How many persons did Dispenser Division of The Oshawa Group Limited of Islington, Ontario employ before the takeover (b) how many are presently employed?

8. (a) What are the unions, if any, who represented the employees (b) did they approve or disapprove of the takeover (c) was their opinion sought?

9. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

10. How is the takeover (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the takeover?

11. What is the significant benefit to Canada of the takeover?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): See reply to question No. 3,954 answered on March 2, 1976.

COMPANY TAKEOVERS

Question No. 5,333—**Mr. Nystrom:**

1. In the takeover of Canada Carbon and Ribbon Company Limited of Toronto by Columbia Ribbon and Carbon Manufacturing Co. Inc., of Glen Cove, New York, and Marline Resources Company Inc., also of New York, what percentage of control will Columbia Ribbon and Carbon Manufacturing Co. Inc., of Glen Cove, New York, and Marline Resources Company Inc., also of New York acquire?

2. What is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

3. Who were the principal shareholders of Canada Carbon and Ribbon Company Limited of Toronto, Ontario and what control, if any, will they retain in the company?

4. Who are the principal shareholders of Columbia Ribbon and Carbon Manufacturing Co. Inc., of Glen Cove, New York and Marline Resources Company Inc., also of New York and what are their holdings in the company?

5. Does Columbia Ribbon and Carbon Manufacturing Co. Inc., of Glen Cove, New York, and Marline Resources Company Inc., of New York control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by per cent of control and value?

6. What will be the effect of the takeover on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety

in Canada (f) competition within any industry or industries in Canada (g) employment within Canada Carbon and Ribbon Company Limited of Toronto, Ontario and within the industry?

7. (a) How many persons did Canada Carbon and Ribbon Company Limited of Toronto employ before the takeover (b) how many are presently employed?

8. (a) What are the unions, if any, who represented the employees (b) did they approve or disapprove of the takeover (c) was their opinion sought?

9. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

10. How is the takeover (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the takeover?

11. What is the significant benefit to Canada of the takeover?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): See reply to question No. 3,954 answered on March 2, 1976.

COMPANY TAKOVERS

Question No. 5,334—**Mr. Nystrom:**

1. In the takeover of Dominion Coachcraft Industries (Canada) Ltd. of Regina, Saskatchewan by Standard Auto Glass Western Limited of Winnipeg, Manitoba (Standard Auto Glass Western Limited is a wholly-owned subsidiary of Vanfax Corporation Ltd. of Montreal, which in turn is wholly-owned by Libbey-Owens-Ford Company of Toledo, Ohio), what percentage of control will Standard Auto Glass Western Limited of Winnipeg, Manitoba acquire?

2. What is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

3. Who were the principal shareholders of Dominion Coachcraft Industries (Canada) Ltd. and what control, if any, will they retain in the company?

4. Who are the principal shareholders of Libbey-Owens-Ford Company of Toledo, Ohio and what are their holdings in the company?

5. Does Libbey-Owens-Ford Company of Toledo, Ohio control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by per cent of control and value?

6. What will be the effect of the takeover on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada (g) employment within Dominion Coachcraft Industries (Canada) Ltd. of Regina, Saskatchewan and within the industry?

7. (a) How many persons did Dominion Coachcraft Industries (Canada) Ltd. employ before the takeover (b) how many are presently employed?

8. (a) What are the unions, if any, who represented the employees (b) did they approve or disapprove of the takeover (c) was their opinion sought?

9. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

10. How is the takeover (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the takeover?

11. What is the significant benefit to Canada of the takeover?

[Mr. Nystrom.]

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry Trade and Commerce): See reply to question No. 3,954 answered on March 2, 1976.

QUESTIONS ON THE ORDER PAPER

Question No. 5,364—**Mr. Cossitt:**

Has a policy been established by the Department of Agriculture that all *Order Paper* questions pertaining to the Department must have answers prepared within fifteen days of the questions being asked and (a) if not, what is the exact number of days allotted for the answering of such questions (b) if so, what are the reasons that Question No. 3,240 concerning the use of government aircraft by the Minister and members of his family has remained unanswered since October 21, 1975?

Hon. Mitchell Sharp (President of the Privy Council): (a) The general policy of the government regarding written questions is that they will be replied to as quickly as possible. While it would be ideal to have all written questions replied to within fifteen days and this is urged upon Ministers, this is not always possible. Strict adherence to such a policy would require the institution of a system similar to that found in Great Britain and accepted by M.P.'s where interim replies frequently are given or, more frequently the Minister replies that he will write to the hon. member. The length of time required for preparing replies to written questions among other factors depends upon the length of the question, its complexity, the availability of information, the number of departments and agencies involved, and the number of questions directed to the particular department of agency. (b) The Government takes responsibility for the answers it provides to questions and for the process involved in replying to such questions. It is not appropriate therefore to provide information about internal administrative arrangements.

ORDER PAPER QUESTION 3,240

Question No. 5,365—**Mr. Cossitt:**

1. On what date was Question No. 3,240 received by the Department of Agriculture from the Privy Council Office and what are the names of any persons assigned to prepare the answer?

2. Was an answer to the Question prepared a number of weeks ago and, if so, on what date was the answer completed?

3. Were representations made by the Minister, his Executive Assistant or anyone else acting on his behalf that the answer be altered and, if so, in each case (a) on what date (b) by whom?

4. Was the answer forwarded to the Minister for signature and subsequent transmittal to the Privy Council Office and, if so, on what date?

5. Has the Minister signed the answer and, if not (a) for what reason (b) on what date will he sign it?

6. If the Minister has signed the answer, has it been transmitted to the Privy Council Office and (a) if so, on what date (b) if not, for what reason?

Hon. Mitchell Sharp (President of the Privy Council): The Government takes responsibility for the answers it provides to questions and for the process involved in replying to such questions. It is not appropriate therefore to provide information about internal administrative arrangements.

[*English*]

Mr. Speaker: I wonder if the parliamentary secretary would simply clarify whether question 5,204 was included.

Mr. Blais: It was not, Mr. Speaker; it was scratched.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 3,838 could be made an order for return, this return would be tabled immediately.

[*Text*]

PEI COMPREHENSIVE DEVELOPMENT PLAN

Question No. 3,838—**Mr. MacDonald (Egmont):**

1. With reference to the fishing sector of the Prince Edward Island Comprehensive Development Plan, for each year since 1965, what was the (a) number of fish processing plants in operation in PEI (b) number of pounds of fish processed (i) at all plants combined (ii) on an average per plant (c) percentage of the total PEI fish catch processed in (i) PEI (ii) outside PEI (d) total market value of fish products processed in PEI in (i) real dollars (ii) constant dollars (e) average market value of fish products per plant in (i) real dollars (ii) constant dollars (f) percentage change over the previous year in market value of fish products produced (i) at all plants combined (ii) on an average per plant (g) number of weeks in operation (i) of all plants combined (ii) on an average per plant (h) number of workers employed (i) at all plants combined (ii) on an average per plant (*i*) number of man-hours of employment (i) at all plants combined (ii) on an average per worker (j) total income paid to workers at processing plants in (i) real dollars (ii) constant dollars (k) average income paid per worker in (i) real dollars (ii) constant dollars (l) number of fishermen who worked part-time at processing plants (m) average percentage of family income for all fishermen derived from employment in a processing plant?

2. Have any fish processing plants in PEI received financial assistance from the government since 1969 and, if so, as totals (a) what were the sources of this assistance (b) from each source, what were the (i) amounts (ii) types (iii) purposes of assistance (c) what percentage of financial assistance went to (i) processing plant consolidation (ii) creation of new processing plants?

3. For each new processing plant since 1969 which received assistance under the Regional Development Incentives Act (a) what procedures were followed to ensure that the decision to give assistance complemented the overall fishing sector strategy and objectives (b) was consideration given, prior to the awarding of assistance, to the potentially negative effects on processing plants already in operation and, if so (i) what negative effects were foreseen (ii) what were the advantages of the new plant which outweighed these negative effects (iii) have the actual negative effects been more or less serious than originally foreseen?

Return tabled.

[*English*]

Mr. Blais: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed, from Thursday, May 6, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I should like to participate in this debate on Bill C-84 and make my position known loudly and clearly. When this matter came before parliament in the past, I had opportunity their of speaking. I had the opportunity to speak on May 22, July 23, and again on an amendment on October 18, 1973: and let me state categorically that I have had no reason to change my stand.

I listened with interest to the remarks of the Solicitor General (Mr. Allmand) who opened this debate. He stated, and rightly so, that society is outraged and is demanding capital punishment. He then went on to quote from many experts supporting abolition. However, those on the other side of this subject can quote from just as many experts supporting their case. I think we are all well aware that the Canadian public is concerned about crime and wants peace and security. Furthermore, it feels that a longer term of imprisonment will not deter would-be killers.

Many polls have been taken. The most recent which I received was dated May 3; it was from the metropolitan Toronto police association. I believe all hon. members received it. It showed that 68,745 responses to their questionnaire were sent in, showing 87.6 per cent of the people in favour of capital punishment. This government seems willing to fly in the face of public opinion and use every means within its power to pilot this bill through.

There is no question that the government will be ably assisted by the press gallery and the media, those great moulders of public opinion. Let me point out that this is one particular area in which the media has not been successful. When reporting on this bill, the news commentators on the national news are depicted with the sinister noose on the screen behind them. It might be an idea, for a change, for some of them to put the noose around their own necks. Again, this morning, on the "Canada A.M." program I believe it was Dennis MacIntosh who mentioned that this matter would be discussed in the House today—and the sinister noose was in the background. Let there be a change in reporting, and let us see on the television screen some of the murder victims. I can assure the House that this would portray a pretty gruesome scene. I hope hon. members will give serious consideration to victims, rather than murderers, when they cast their vote and stand up to be counted.

I hope, also, that hon. members will give some thought to the feelings of the great majority of Canadians. The Solicitor General has pointed out that he hopes to convince the 60 or so new members of parliament that they should vote

for the bill as they are the ones who will decide the outcome. He says this bill is not perfect. That is an understatement. The hon. member for Yukon (Mr. Nielsen), who began the debate for the official opposition, stated that he was somewhat cynical about the proposed free vote as far as the government side is concerned. I am aware that there are several abolitionists on this side of the House and nothing I could say would change their minds. I respect the views of the hon. member for Hamilton West (Mr. Alexander), for example, even though I do not agree with him.

Mr. Alexander: And vice-versa.

Mr. Darling: I recall the Solicitor General some months ago stating that on this legislation there would be a free vote except for the government. I presume he meant the cabinet.

Mr. Allmand: I was wrong.

Mr. Darling: You bet you were wrong, sir. I am aware that the will in all probability vote 100 per cent for the bill even though some of them, if they were free to do so, would vote the other way. I point out that it seems ironic that there are 262 members in this House—there are two vacant seats at the present time—who represent all walks of life, and therefore one would expect they would reflect the views of the average Canadian. It would seem only logical that, not in the neighbourhood of 87.6 per cent but probably 70 per cent of the members of this House would feel the same way as the average Canadian. I recall a question asked in this House last Wednesday by the hon. member for Vancouver-Kingsway (Mrs. Holt), who I see in the House this afternoon. She asked the Prime Minister (Mr. Trudeau) the following:

Mr. Speaker, I should like to put a question to the right hon. Prime Minister. Will the free vote on Bill C-84 be free to the cabinet?

That was a straightforward question, and from all sides of the House there was "Hear, hear." The Prime Minister stood up, and this was his pronouncement:

Mr. Speaker, a freer group of men and women still has to be found in Canada.

Certainly, that was a very diplomatic way of saying that all 28 or 29 members of the cabinet will vote as the Prime Minister sees fit. No one can tell me that those august men and women are all abolitionists. It may be of interest to parliamentarians that Ronald Reagan, the former governor of California, for a good number of years was an abolitionist, but he now states he is against the law which makes the death penalty unconstitutional. He says:

When I was governor, I saved the lives of 12 murderers. They were paroled or released, and now their score is 34 murders. They killed another 22 people.

I have listened to a good number of speeches on Bill C-84. Hon. members on both sides have spoken with feeling. I was most impressed by the remarks of my colleague, the hon. member for Edmonton-Strathcona (Mr. Roche), who is one of those members who has had second thoughts. In the previous vote on capital punishment he supported the government, but has now come to the conclusion that Canada is not ready for the total abolition. He stated that he had done a great deal of soul-searching before coming to this decision.

• (1600)

We are dealing with one of the most important pieces of legislation to come before this House: we are dealing with life and death.

Mr. Speaker, the Solicitor General and the Minister of Justice (Mr. Basford) are constantly talking about peace and security—and I am wondering, for whom? It is my view that this bill, if passed, will only provide peace and security for the criminal element and murderers. And let me point out, Mr. Speaker, that I am not talking about murderers who have committed crimes of passion, or of drunken brawls. I am talking of cold-blooded, premeditated murder or the mafia-type killing—the killing of people during armed robbery and rape, and, of course, the killers of police and guards.

I should just mention, Mr. Speaker, that just before I turned off the television on Saturday night a movie came on entitled "Assassination Bureau", which I watched for a few moments. That movie would give ideas to anybody who wanted to get rid of an enemy. All they would have to do is contact this bureau or one like it.

Mr. Speaker, let me point out, also, that there should be longer mandatory sentences for armed robbery involving an offensive weapon, and longer sentences for people caught carrying offensive weapons; and, of course, longer sentences for crimes involving hard drugs. There are certain cold-blooded and violent murderers who cannot be rehabilitated. They have already committed murder and will do so again if given the opportunity. It is because of this that I feel the death penalty should be retained for certain types of violent murder.

Mr. Speaker, I have mentioned the death penalty, but I do not necessarily mean hanging, as I am opposed to this and feel that a much more humane method should be used, as long as the killer is permanently removed from society as quietly and efficiently as possible. Let me repeat that we are not ready for total abolition, the chief reason being the growing crime rate, combined with the government's present way of dealing with crime. Violent crime in Canada increased 90 per cent in the ten-year period 1965 to 1974. In 1965 there were 243 murders in the country; in 1974, 545. The murder rate in this period has doubled, from 1.2 per 100,000 population to 2.4. Despite the fact that 38 policemen and jail guards were murdered in this same ten-year period, no convicted murderer has been executed. Is it any wonder that the public is up in arms? A great majority of Canadians are now demanding a return to full capital punishment.

Let us now look at attempted murder. In 1961 there were 74 attempted murders in Canada—a rate of .5 per 100,000 population. In 1967 there were 139 attempted murders, a rate of .9 per cent, and in 1974 there were 524 attempted murders, a rate of 2.3 per cent. The actual number of attempted murders in 1974 was between seven and eight times the number of only 13 years earlier in 1961. In other words, by the grace of God only are the murder figures for 1974 not even worse. Over the same period, the death penalty has been increasingly modified in Canadian law and, indeed, not implemented at all. The murder rate has doubled and the attempted murder rate has quadrupled.

Mr. Speaker, now that we are engaged once again in serious debate on the subject of capital punishment, it is time for all the experts to reappear. There are more experts on this subject than on any other subject I can think of, with the possible exception of the Canadian economy. They are a dime a dozen, and come to think of it, that is just about what they are worth. For some strange reason, most, if not all, of these experts are abolitionists. These are the people who insist that we demean our own society when we take the life of a brutal and sadistic murderer. These are the people who maintain that capital punishment is not, and would not be, a deterrent to deliberate murder. They have all kinds of data and statistics to support their arguments. When their statistics are put to the test, we find that their supporting arguments are based on the very same data as my own—no better and no worse.

The plain fact is that there is no reliable data available either to me or to the experts. We are all on our own and there is no more evidence available to support my position than there is to support the position of the abolitionists, except for the great increase in murders which those of us who still favour the retention of capital punishment can quote. They cannot be denied.

I think that I have made my own position clear, Mr. Speaker. I am a retentionist and I make no apology for it. I repeat that on the basis of existing data and evidence, or rather the lack of it, my position is just as tenable as any taken by the experts. I think that I have now made it equally clear that I do not intend to juggle any figures to build my case for retention of capital punishment.

The debate on the pros and cons of capital punishment has raged for many years in Canada. Running parallel to this debate I have noticed a strange sort of pattern develop in our society, fed by the tedious arguments of social workers and do-gooders of every conceivable stripe. These people are first on the scene when a person is charged with a serious crime such as a violent assault, and especially a brutal murder. They are there before the innocent victim has even had a decent burial and before the accused can be brought to trial.

We are told, first of all, that the accused is not to blame for the crime: society is to blame, and the accused murderer is just as much the victim as the person who was murdered. While I do not intend to employ figures to support my position as a retentionist, I will say, Mr. Speaker, that it is a matter of record that the average murderer gets more attention, more sympathy and more assistance than either the victim or the family of the victim. There are all kinds of people who are standing by today to run to the defence of anyone charged with murder or any other violent crime.

Next we are told, if it happens to be a crime for which the death penalty is prescribed on conviction, that the death penalty is barbaric and inhumane. In support of this argument we are told that the death penalty has been abolished in Great Britain, Pango-Pango and any other place that happens to come to mind. We are told the death penalty is out and the only civilized method of punishment is a long prison sentence.

What happens when a long prison sentence is imposed on anyone convicted of murder? We hear that this, too, is inhumane. The idea of keeping a human being caged-up for 10, 20 or 30 years sends these social workers and a couple of cabinet ministers across the way into a frenzy. How can a modern, civilized society be so barbaric as to even consider caging up human beings as though they were animals in a zoo, they ask? So we have things like weekend passes, supervised and unsupervised leave, time off for good behaviour and, of course, early parole.

What happened to the poor victim, Mr. Speaker? He, or she, has been conveniently buried, and just as conveniently forgotten. We have a new victim to consider—the poor, misguided victim of society. We must all rush to the defence of this victim and we must ensure that no harm shall come to this unfortunate and misguided individual. When I think of the way these people so callously dispose of the victims of crime in their haste to rush to the defence of the criminal, I want to go into a quiet corner and bring up. I also get pretty angry, Mr. Speaker.

It takes a really twisted mind to regard the victim of a premeditated murder as simply a figure in a tally book. It takes an unusual mind to regard the murderer as someone who deserves, and even demands, the sympathy and indulgence of the very society upon whom he or she is preying. I disagree in the strongest terms that we demean our society when we take the life of a convicted murderer. I think, instead, that we demean society and ourselves as legislators when we refuse to take whatever action is necessary to protect the lives and property of law-abiding citizens of our country.

Social workers and do-gooders can afford the luxury of misdirected sympathies and concerns. If other crimes are committed, or if society suffers further misadventures when its theories backfire, then it does not really matter: it is back to the drawing-board. These experts on social conduct hold themselves to be above rebuke and censure. They hold themselves to be unaccountable—and they have at least two champions of their cause over there on the government benches.

I say to the Minister of Justice and to the Solicitor General that their responsibility is not to the bleeding hearts, to the innovative, misguided social workers and the other assorted do-gooders in our society. Their responsibility is not to the well-being or the comfort of those convicted of violent crime; it is to millions of law-abiding Canadians, people who must wonder at times whether there is anyone on their side. I strongly urge those two ministers to consider resigning if they cannot take their responsibilities seriously because of preconceived notions about capital punishment.

● (1610)

Unfortunately for the two ministers, they cannot afford the luxury of playing around with innovative social experiments. They cannot afford the luxury of showing how civilized they can be by turning dangerous criminals out on the streets just to see if they will commit more crimes and then bring them back to coddle them some more. I am not a retentionist because I want to see the state take the life of criminals; I am a retentionist because I have seen this government's stupid and senseless experiments in prison reform fail utterly over and over again.

Like the vast majority of Canadians, I am fed up with a system that allows, and even encourages, the criminal

element in our society to hold law-abiding citizens at ransom. I might say that I am a retentionist for the very same reason that the two ministers across the floor are abolitionists. They say there are no figures or data to support the view that capital punishment would be a deterrent to murder. I could say that I am a retentionist because there is no real evidence to support the view that it would not be a deterrent. I support the theory that the very real fear of having to forfeit one's own life if convicted of murder would deter at least some murders, and longer mandatory prison sentences might reduce the numbers of other types of violent crime.

The real problem facing us is not whether the longer prison sentences proposed in this legislation would prove to be a workable alternative to the death penalty. The problem will be the same one that has plagued us for the past ten years, the failure of this government to carry out the will of parliament. I believe it was in 1967 that parliament adopted the present law regarding capital punishment. It was a compromise solution, partial abolition, and the compromise was proposed by the government of that day, essentially the same one that we have today.

We know now, and we have known for a very long time, that the government had no intention of abiding by the compromise legislation adopted by parliament in 1967 or in 1973. The present law calls for the death penalty for convicted murderers of policemen and prison guards where the court does not recommend clemency. All of us know that although there have been more than a score of convictions for such murders since that time, not one death penalty has been carried out; they have all been commuted by the cabinet—and those awaiting execution at the present time can be assured that their sentences will also be commuted.

Those of us who are retentionists—and we are by far the majority, according to all the polls on the subject—do not trust this government to carry out the law with respect to longer mandatory prison sentences in place of the death penalty. I am sure that most, if not all, of us could be swayed in favour of at least ensuring that convicted murderers and other violent criminals would be prevented from endangering law-abiding citizens. Before I would accept this solution in place of the death penalty, I would have to have to have that assurance, Mr. Speaker, and I simply cannot place that kind of trust in this government. We have already found in this and many other areas that the government, on the floor of this House, cannot be trusted to honour a commitment.

A couple of weeks ago the legislature of the state of Maine abolished the death penalty in that state and substituted a mandatory prison sentence. While that may sound just like the kind of solution that the government proposes in this legislation, there are some differences in the Maine legislation that might just make it work. For one thing, they have removed most of the discretionary powers of the parole board with respect to convicted murderers. The sentence has to be served. That is the one aspect of their legislation that gives it a chance of being an acceptable alternative to the death penalty. For instance, a person serving a 25-year term for premeditated or capital murder must serve the time without possibility of parole. The only time that can be commuted is that earned for good behaviour. That is certainly a more sensible and reasonable way to handle the problem than the one we have had for the past several years where convicted rape murderers, for instance, have been given passes from prison to go out and commit more rape murders.

In the legislation we are debating here, Mr. Speaker, there is still discretionary power in the hands of the Parole Board to decrease the sentence of convicted murderers, people who have committed deliberate, premeditated, heinous murders. This is not a deterrent and it is not an acceptable alternative. When you are dealing with today's enlightened social reformers, you just cannot win. It seems that they are winning their fight to abolish the death penalty, so one would naturally assume that they are prepared to settle for longer mandatory prison sentences with little or no possibility of parole. Not so, Mr. Speaker. They have a new angle, one that makes most reasonable people wonder just who, or what, these people are for.

We are now told that if we impose longer prison terms than the usual 20 years to life, where convicted murderers are back on the street again after a couple of years on weekend or day passes, it would be difficult to rehabilitate them. Right now, I believe the average time spent behind bars for murder is about seven years. Of course, as I mentioned earlier, there are the customary passes that are handed out holus-bolus to prisoners who have the ear of the Parole Board, and there is the provision for early parole. In fact, it is doubtful that violent criminals are treated more gently anywhere else in the world than they are in Canada.

It is strange that while the Minister of Justice and the Solicitor General are telling us that punishment is not a deterrent to crime, our Department of External Affairs cautions Canadians travelling abroad that most countries mean what they say when they sentence people to prison terms for smuggling, drug offences and the like. They caution our young people to avoid getting involved in criminal activities while they are in such places as Mexico, the Middle East and countries where the laws are stricter than our own for these offences. The plain fact of the matter is that there is a deterrent effect in imposing severe penalties for severe crimes.

Canadians who have run afoul of the police and the courts in Israel, the Arab countries, and other places where Canadians are serving prison sentences, know that there is a deterrent value in these stiff sentences. There are numerous examples of these people warning other young people who travel the world in search of fun, or whatever, to avoid getting into trouble in countries where severe penalties are imposed for drug-related crimes and other offences. Any thinking person would certainly deduce from that that there is certainly a deterrent value in imposing a sentence that fits the crimes. I certainly do not propose to exact the death penalty for drug-related offences in Canada as they have in Iran and Iraq, but it has had a dramatic effect in controlling drug trafficking in those countries.

To get back for a moment to rehabilitation of prisoners in our penitentiaries, I do not consider that to be the number one priority. What I would consider a high priority is the rehabilitation of as many law-abiding citizens as we possibly can, and I am thinking mainly of the hundreds of

thousands of people who would be almost immediately rehabilitated if they could only find a job. This is where I would place the emphasis and, as I have said many times, my sympathies are with the law-abiding and the innocent victims of crime. When they are looked after I will consider looking after the interests and the rehabilitation of those who have been convicted of anti-social behaviour.

● (1620)

Mr. Speaker, the Solicitor General apparently tried to beef up his case for abolition by commissioning Ezzat Fattah, chairman of the department of criminology at Simon Fraser University, to conduct a study of public attitudes on capital punishment. While Fattah and the Solicitor General call it a study, it is anything but an objective study. It is, in fact, a prejudiced, slanted, selective presentation summing up the views not of the public but of Fattah and the Solicitor General.

Fattah states categorically that public opinion polls on capital punishment are not true indications of public sentiment. He goes on to say that the people who supported a return to capital punishment in the polls were generally right-wing bigots, usually from the older age groups, insecure, socially maladjusted, ignorant, uneducated and ethnocentric. Fattah says people themselves are not competent to decide whether or not capital punishment should be restored and that the small group of enlightened men and women in parliament should make this decision. I am not sure I could take this as a compliment. When I consider how poor Fattah's judgment is with respect to the Canadian people, I cannot place much faith in his judgment of parliamentarians. Oddly enough, Fattah seems totally unaware of the fact that the majority of members of parliament in 1967 and 1973 favoured, and today favour, a return to the noose.

The Solicitor General deceived us when he failed to tell the House that he had commissioned Fattah to write a biased report that purported to show public support for abolition. Rather than helping the Solicitor General's case, this report has had the opposite effect. Fattah had many of us fooled when he sent an abridged version of his report to the newspapers and passed it off as simply a letter from an interested observer of the capital punishment controversy. He destroyed any credibility he might once have had by making himself party to a deliberate deception. I think the Solicitor General should make a clean break from the report and from its author, Ezzat Fattah. He should admit that it was a serious mistake to try to pass off this report as an objective analysis of public opinion, and admit that it was in fact a sham and a fraud.

In conclusion, Mr. Speaker, I would like to say that I have not changed my views with respect to the necessity for retaining capital punishment and I was not impressed by the Solicitor General's speech at the opening of this debate. I am a retentionist because I feel it is time for us to decide once and for all whether we are going to use all the weapons in our arsenal in an all-out fight against violent crime, or whether we will continue to give the advantage to the criminals. I do not trust the government to honour any agreement to keep convicted murderers behind bars for a minimum term; so I must opt for the one method which will ensure pubic safety and which will serve notice on criminals that we have run out of patience.

In recent weeks I have received innumerable letters from constituents, the majority asking—indeed demanding—the return of capital punishment. I do not know the exact proportion in favour of a return to capital punishment, but I think at least ten favour a return for every one who does not. A good many people go so far as to say that all first degree murder should be punished by capital punishment. Some feel more strongly than I do on the subject.

I think that we should consider a more humane way than hanging of dispatching the murderer. I think others have read in *Hansard* the sort of questions which were submitted by the metropolitan Toronto police association on the subject of capital punishment. The association asked this question, among others: "Are you opposed to capital punishment because of the method of execution used (hanging)?" Hanging, of course, is a gruesome way of getting rid of the murderer. The public response was, 9,954 opposed; but 44,258 definitely wanted to retain hanging.

Mr. Lloyd Francis (Parliamentary Secretary to President of Treasury Board): Mr. Speaker, it is not my intention to make a long speech at this time. Briefly, I want to make two points in answer to some of the contentions made by other hon. members of this House and raised in the debate. While I have served in two previous parliaments, this will be the first time I shall be called on to vote on this question.

Every elected member of a legislature, Mr. Speaker, has to answer to his or her conscience on the basic question of whether to lead or reflect public opinion. Many hon. members who have spoken in this debate—as nearly as I can tell, every one of them an abolitionist—cited Edmund Burke of a century and a half ago to the effect that it would be a matter of an individual member's conscience how he or she voted on an issue after being elected. With all due respect, I cannot accept this position in regard to capital punishment.

Over a number of years I have serious reservations about the effect of capital punishment and have never been persuaded that it is an effective deterrent. The long, statistical arguments, many of which have been reproduced, including some raised by the minister in introducing this debate, have to me been inconclusive. It seems to me that the increase or decrease of crime and violence is more related to fundamental social and economic conditions in the community than it is to absence or presence of capital punishment.

I do believe, however, that an elected representative must lead on occasion and also reflect public opinion on other occasions. Since the days of Edmund Burke, many things have changed. The electorate is much more literate, for better or for worse. Many more people follow public events and are better informed. Public opinion is now capable of being analysed and measured through the device of polling techniques. To say that the job of an elected representative is to pay no attention to public opinion, but simply to act according to his or her conscience will not, in my opinion, be good enough in this situation.

To me, sir, it is a basic principle that laws must be enacted with the consent of the governed. A law that is not

accepted by the overwhelming majority of people to whom it must apply is not a good law. A law that is enacted to represent minority opinion, in the face of a contrary, majority public opinion, will not be respected. It will bring the entire law-making process itself into disrepute.

As a boy in the Ottawa Valley, I can remember the arguments of the prohibitionists against the use of alcohol. I can remember, also, the extent to which the law was violated, and the countless times reputable citizens in the community indicated their complete disrespect and contempt for the law. Eventually, despite the very convincing arguments of the dedicated people who were committed to the abolition of the use of alcohol, the law had to be changed. The law had to reflect the customs, attitudes and mores of the people to whom it applied.

The hon. gentleman who preceded me as the representative for Ottawa West conducted a poll and received the same kind of result that I did when I conducted a poll on this subject. In short, about 73 per cent of the 15 per cent of all households which responded in Ottawa West to a questionnaire distributed on postmen's walks were in favour of capital punishment for some situations involving, particularly, brutal and callous murder. The hon. gentleman who preceded me in office, when he faced this kind of result, said he did not care what the public thought and he would vote according to his conscience. I criticized him and said he could not, and should not, do that. I accept the consequences of the criticism I directed against him at that time when I now face, in this House, the responsibility of voting. All the evidence which I have seen from Gallup polls or any other source indicates that the majority of people in our society favour capital punishment being limited to extreme cases.

● (1630)

There are those who say contemptuously that an elected representative is not a mere opinion poll-taker, not a mere automatic reflection of measured public opinion. This goes without saying; there is no argument about it. But it is a long way to go from that position to the extreme argument that public opinion itself can be disregarded.

I have consulted my voters on a few basic issues of conscience—on gun control, on abortion and on capital punishment. I do not propose to consult them on day-to-day items of legislation because it is practically impossible to do so. It seems to me, however, that the consultation process should be applied on basic moral questions in the community, and legislators have to give careful attention to the results of this consultation process.

The second point I want to make in this debate is that I cannot accept the mandatory 25-year minimum term without hope of parole for those convicted of class one murder. Incidentally, Mr. Speaker, I think that the distinction between class one and class two murder is a desirable feature of the bill. I do not believe, however, that it serves the interests of rehabilitation or of developing within prison institutions the atmosphere in which rehabilitation of other prisoners is possible if we stick to these long, minimum terms. Frankly, Mr. Speaker, I think that the 25-year sentence was designed to make abolition palatable and acceptable to the community. Abolition, it is argued, yes; but let us make sure that people who are particularly brutal and callous in murder are never let loose again to inflict injury on anybody else.

I find it very interesting, Mr. Speaker, to cite a study by Dr. John Huberman, a consulting psychologist. I know that authorities can be cited either one way or the other, but Dr. Huberman says quite frankly that those who have committed two or more murders are not likely to be cured; that those who have committed particularly bad crimes of violence are not likely, within the confines of the prison system, to be changed in fundamentals. If I may quote him, he says this:

> I consider totally inappropriate the government-sponsored alternative of giving murderers a "real" life sentence.

Then he says:

> Let us remember that so-called maximum security institutions are not "totally secure". We get almost daily reports of escapes of dangerous criminals.

And again:

> While psychiatry and psychology have discovered means to change certain human behaviour, no methods have been discovered so far to cure murderous tendencies, short of brain operations or drugs which would turn the individual into a "safe vegetable".
>
> This would seem more inhumane and degrading than death itself when administered under painless circumstances; as would seem to most of us spending our remaining total life in a penitentiary with its concomitant deprivation of friends, sex and a useful contribution to humanity.

I am even more worried about what happens in an institution when a number of long-term prisoners are incarcerated in it. It seems to me that they brutalize the whole institution itself. They brutalize other prisoners and enforce their own code of conduct upon the institution. They brutalize the guards. They brutalize the correction officers. They make the institution itself the kind of place which condemns not only the long-term prisoners who have nothing to lose but many other people who unfortunately are incarcerated in the same institution and suffer penalties that go above and beyond their ordinary prison sentences.

I should like to refer to another study I found interesting, as reported in the Ottawa *Journal* of March 11 of this year. Dr. Elliott Barker, developer of Ontario's treatment program for the criminally insane, and his associate, Dr. Henry Boyd, medical director of the centre, say they are opposed to capital punishment but that the death penalty is a lesser evil than mandatory sentences of up to 25 years, as proposed by the federal government. The report continues:

> Forcing killers to remain in the prison subculture with no hope of parole will doom chances for rehabilitation, the two psychiatrists said in an interview. Such a move will also introduce an element which threatens all work done to date in criminal rehabilitation.
>
> Under the present penal system, a killer sentenced to 15 years who is treated and found safe may be returned to society after five years.
>
> "But if he knows he's going to be in for 15 or 20 years you cannot treat him," Dr. Barker said.

For these two reasons, Mr. Speaker, because I think that majority opinion is so clear and so uncompromising on the subject, and also because I cannot accept the principle of mandatory, long-term sentences without hope of parole, I am compelled to vote against this bill.

I should like to make one other short observation. The method of execution by hanging is barbaric and should be

replaced by something more humane. There are those who say that there are no humane ways of killing people, and perhaps this is true. But, again, public opinion seems to demand that hanging be replaced by something else, possibly the electric chair or the gas chamber. If this bill does fail to carry, I hope the government will immediately examine alternative means of carrying out capital punishment for a very small proportion of murderers, those responsible for perhaps 1 or 2 per cent of the murders currently committed in Canada.

Mr. Arnold Malone (Battle River): Mr. Speaker, may I commence by saying that I find a lot of wisdom in the remarks of the speaker who preceded me, the hon. member for Ottawa West (Mr. Francis). Since the bill has not yet passed third reading, we do not know at this moment whether or not there will be abolition of the death penalty in Canada. Nevertheless, I think we have to conclude that hanging is not the right method of execution, if execution be the result of the vote in the House. I do not think it takes any wisdom at all to realize that if the people who collect dogs in our streets were to hang them in the dog pound, the SPCA would soon be after them. So, obviously, hanging is not the proper method to use. I am not a happy hanger, Mr. Speaker. Indeed, I think this issue can be examined from many different perspectives. We can examine statistics and various data, but I think it should be put on record in this debate that most of the data we are given are irrelevant. Such information it is meaningless in that it bears no relationship to this particular issue.

The Solicitor General (Mr. Allmand) brought forth a lot of statistical analyses dealing with capital punishment, but I would underscore the fact that such data are unimportant except if they can demonstrate valid correlation. When doing experiments or conducting research work, one soon comes to realize that data become meaningful only when the two given factors of comparison remain the same or one of them is controlled. If dependent or independent variables are controlled, you can get meaningful data. I think that the only meaningful data that are important are that the murder rate has doubled in the last decade and that there has been an increase in violent crime in this country. Those two facts are meaningful to me.

I think we must examine the way to handle this particular issue, Mr. Speaker. I take a view that is somewhat different from those I have heard speak on this subject previously. I believe that we live in the context of a cultural system in society. We do not find an individual cultural system defined in our law books, and often it is not very clearly defined at all. For example, in Egypt we know people stand much closer together when in social conversation than they do in North American countries. In Greece and Italy people practice a lot of touching, whereas we tend to be much more distant in our culture. Under our cultural system in North America we practice the concept of behaviour, punishment and reward. From its abolitionist position it appears that the government has looked at behaviour in society and said that it does not like what is happening, but it is focusing entirely upon the issue of capital punishment.

I, too, do not feel happy about people killing one another, Mr. Speaker. Whether the practices of the last 5,000 years have been right or wrong, I feel that society is focusing more on punishment and is not doing nearly enough to focus on the behaviour of human beings, both individually and collectively, in our society today. If we look at this bill and at the whole complex pattern of behaviour, reward and punishment, we will find that we can in fact begin to do some of those things within society's obligation to decrease the rate of crime.

● (1640)

Another point I should like to bring out is that many of the people who argue in favour of the abolitionist stand do so on the principle that there is a higher ethic in a society that takes this stand. I would challenge that idea. Where is the higher ethic if you legislate into law an abolitionist state at a time when the vast majority of people want to retain capital punishment? I suggest you achieve no higher ethic in this way. You achieve no higher ethic when you have people who wish to retain capital punishment and you legislate abolition because of some legal policy on capital punishment. This in no way increases the ethic in society.

The focus, then, of this whole question of capital punishment ought to be along these lines: if there is to be an abolitionist state, the government must earn the right to that state. It must consider the factors which affect the behaviour of human beings in order that we can decrease stresses in our society, and by decreasing those stresses, hopefully we can then decrease the amount of violent crime. We should follow the formula that a decrease in violent crime takes place as you increase the assurance of comfort for the people in society in order that they become more and more willing to adopt a position of abolition.

Just to list some of the approaches we could be taking, to focus not on the punishment end of the question but on the behavioural end, something ought to be done about violent shows on television, something ought to be done about violence in sports, and some action obviously needs to be taken in relation to our child abuse laws. We must focus more attention on proper nutrition in this country. We can demonstrate much more clearly than in respect of other data put forward that many violent crimes take place because of poor nutrition. Something has to be done to ensure that Canadians have a proper diet.

We must do something about the state of the economy. I will come back later to some data in that regard. This government can certainly take the blame for increased violent crime in this country as a result of the way it has messed up our economy. We can see a correlation between an increase in crime and a slump in the economy. We can also see a correlation between an increase in crime and lack of work—and the government's record in this regard is not very good. It can also be pointed out that there is an effect as a result of architectural design, the design of our cities and an increase in noise levels. These all have an effect on society and they all tend to lead to an increase in violent crime. We can talk about the policies of the government as they relate to drugs and alcohol, and the list goes on and on.

Children today, as they grow up in Canadian society, have in many ways been deprived of the notion of creative play. What happens in our society today is that every child is organized. He is not only organized but is organized to

compete. In hockey, football and baseball games today we have all the children competing and trying to win, pitting one against the other and against the other kids who cannot play. We have lost the situation in which we have creative play. I simply suggest that is another factor that adds to the stress level, and the stress level is the background to many of the dangerous situations we have today.

Let us look at some of these factors as they relate to the suggestion that we pay more attention to behaviour than to the punishment factor. We have the researchers Braginsky and Braginsky who have pointed out as follows:

> Jobless men feel small, and talk the language of insignificance. Even if a new job patches up self-esteem, they still hurt from a gut-level cynicism about society.

The article goes on at quite some length and points out that those who are at the lower edge of the economic bracket, and those in a jobless state, suffer considerably more stress and also have a higher ratio of crime and violent crime. I simply point out that the record of our government has not been strong at all in terms of looking after the economy in order to provide meaningful employment for people. If this government took the view that it should focus more on the factors that affect behaviour, and paid less attention to other things, it would perhaps not have to focus so much attention on the question of the nature of punishment. We can review this whole situation again from the point of view of economic worry. Another article by Berkeley Rice points out:

> Not surprisingly, economic fear builds a boom in mental illness, alcoholism and suicide. The news is that government planners don't worry enough about the psychic and medical cost of recession.

In this regard we find that whenever we have economic slumps or a lack of meaningful employment, or when we have high rates of inflation, the government has to take a good portion of the blame for the increase in violence that coincidentally takes place in society. That, too, is one of the factors we ought to be looking at in terms of decreasing violent crime.

The position that we have a formula involving behaviour, reward and punishment with an increase in violent crime in society, and therefore that we should focus on the punishment situation, is a completely misunderstood concept. I would suggest, again, that any government which wants to be an abolitionist government must earn that right. Obviously, the cultural system we live in that places punishment itself in relation to the shaping of behaviour is lost on a public which will never accept that until the government has earned the right through creating a state of real peace and security in our Canadian society. Another article points out the following:

> When the University of Michigan's research center for group dynamics interviewed 2,000 men, they found that the traditional killers of the industrial revolution—long hours, heavy workloads, and pressing responsibilities—now produce less anxiety, stress, and physical illness than do seemingly easier work conditions.

What this really points out is simply that those who have boring jobs have a much higher rate or level of mental and physical stress. Let us look at some other aspects to which the government has failed to apply itself in terms of putting its focus on the entire area of behaviour, reward and punishment pattern as a total package rather than just focusing on the capital punishment question. Let us consider television and its effect on the over-all behaviour pattern of our children.

[Mr. Malone.]

It has long been recognized that this was a potential danger, and in recent years studies in this area have clearly indicated that violent television programs have in fact caused children to play in a more aggressive manner. The play patterns of children, in turn, effect both the skills and attitudes of the adult organism as it develops from childhood. The great French researcher, Piaget, notes that play helps the child to assimilate the world and shapes his concept of reality. In this way we find that a child's play pattern is developed and influenced by television, and as that child grows this becomes his perspective of reality and what the world in which he lives is like. Likewise, the French primatologist, Jean Claude Fady, has demonstrated the direct correlation between play and reasoned attitudes in serious behaviour. Again, Kathy Sylva and Paul Genova, at Harvard University, have very closely linked children's play patterns to the acquisition of skills and problem solving abilities. I simply put this forward because it has been clearly demonstrated that television plays a very important role in how children develop their subsequent attitudes toward adult society and life.

It is important to note here that when we are talking about violence in our society we are not simply talking about the question of whether we should have capital punishment. I suggest it may not make an iota of difference, whether or not we have capital punishment, to our rate of violence; but I believe it is important that this House should begin to recognize that if we are to have a parliamentary system that listens at all to its constituents, and if we are to recognize the mood of the nation as such and understand its demands, we must do certain things before we begin to talk about this being an abolitionist state.

● (1650)

To those who take the position that they can act irrespective of the views of their constituents, I simply ask: What are constituents for, if they are not to be listened to? In spite of the fact that we have the understanding and ability to provide the stimuli that would enhance a generation of free and creative children, we are content to marinate their young minds in a never-ending sea of violence. That violence, in turn, stimulates play patterns that are aggressive. How can we help but have a violent society when many of our building blocks are cemented together with a violent language and a violent art? I suggest it is the character of North America that we have a violent background to our cultural structure. In *Psychology Today* for April, 1976, in an article entitled "The Scarey World of TV's Heavy Viewer", researchers Gerbner and Gross made the following statement:

> We have found that people who watch a lot of TV see the real world as more dangerous and frightening than those who watch very little. Heavy viewers are less trustful of their fellow citizens and more fearful of the real world.

I think that bears some review in respect of what is happening in society today. Again, in another research article they say they have demonstrated that the heavy viewing of television does influence the viewer's perception of the world and the common distortions of television become perceived as reality by the viewer. It has been

noted by researchers that those who are heavy viewers of TV have a corresponding false conception about the role of women, the ratio of professionals to labour, and threat versus safety in society. When we consider that 250,000 adult people have written to Marcus Welby for medical advice, surely we must ponder on the degree that television distorts reality for our children and young people who watch television programming. Because I think this is a very important piece of data to share with members of this House, perhaps I might quote the following:

> More than half of all characters on prime time TV are involved in some violence, about one-tenth in killing. To control this mayhem, the forces of law and order dominate prime time. Among those TV males with identifiable occupations, about 20 per cent are engaged in law enforcement. In the real world, the proportion runs less than one per cent. Heavy viewers of television were 18 per cent more likely than light viewers to overestimate the number of males employed in law enforcement, regardless of age, sex, education or reading habits.

Mr. Speaker, I would submit that if in prime time viewing one half of all the characters are involved in some form of violence, surely the government does not have the right or privilege at this time to be talking about reward or punishment relating to violence in our society but, rather, should be doing something about the very factors which shape the behaviour of human beings whether they be nutrition, the state of the economy or child abuse. In other words, the government should be dealing with television in some meaningful way and should be dealing with the question of housing and architecture, because all aspects of these things show that in those areas where they are poorly planned and organized or structured, the stress levels on humans increases. It is not without surprise that we learn that the murder rate in apartments is far higher than it is in individual dwelling homes.

When we begin to study something about the effect or crowding and what this does to stresses in people, we begin to recognize that all we have to do with rats is to put too many in a cage and they begin to take on violent reactions one to another. They will even go to the extreme of eating one another, which is not normal behaviour for a Norwegian rat or a white rat. Yet when there is overcrowding this happens. That certainly must be part of the perspective of why we have per 100,000 people such an increase in the violent crime rate as we go from the small rural communities to the larger cities in this country.

So I would say that on the whole question of whether or not we should have an abolitionist state, my position simply is that this is a condition that the government must earn. It is a position one earns by not focusing first on the question of what punishment. We have derived a society from 5,000 years or more which believes that punishment and behaviour are factors related together in a cultural context. Without the government first having done those things that give a sense of true peace and security—not just the words in Bill C-83 or in Bill C-84, but an earned sense of peace and security to the populace of this nation then it has no business forcing a new moral structure on Canadians.

To continue with some of the comments on violence in television, I would point out that violence on television leads viewers to perceive the real world as more dangerous than it really is. That, in turn, has shifted the thinking of children into the belief that as they gear up for adult life, they must in fact be prepared for violence. It is also a cultural orientation, largely because of television, that in our society it is manly to be violent; that one of the characteristics in respect of a boy proving manhood is that he be able to react and respond in an aggressive and physical manner.

The heavy viewers were 30 per cent more likely than light viewers to pick such fearful estimates as it is 50 or 100 times more likely that there would be threat of death to them than there was for those who were lighter viewers of television. I think that points out some pretty interesting data from some studies, which should give us some perspective concerning whether or not the government has earned the right to bring in capital punishment or an abolitionist state at this time.

I intend to vote against Bill C-84 because I think it is a case of ordering priorities. It is not a case of whether or not one should be an abolitionist. It is a case that the whole nation, if that is the right position, will come to that conclusion when the people have felt there is a real and true sense of peace and security in this society. The nation will come to that view when we do those 50 to 100 things governments at all levels ought to be doing which make for a more peaceful and contented society.

Mr. Speaker, I have further comments I would like to make in this discussion. However, I note that it is five o'clock. Perhaps we are at a good breaking point when I might call it five o'clock, and I will resume at 8 p.m.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall)—Transport—Date of report of task force review of search and rescue operations; the hon. member for Egmont (Mr. MacDonald)—External Affairs—Possibility ratification of non-proliferation treaty being requirement prior to sale of nuclear reactors.

It being five o'clock, pursuant to order made on Friday, February 27, 1976, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions.

PRIVATE MEMBERS' MOTIONS

[*English*]

The Acting Speaker (Mr. Turner): Shall motion No. 2, in the name of the hon. member for Hamilton West (Mr. Alexander) stand?

An hon. Member: Stand.

The Acting Speaker (Mr. Turner): Stand at the request of the government. Notice of motion No. 15, in the name of the hon. member for Hamilton-Wentworth (Mr. O'Sullivan); shall the motion stand?

An hon. Member: Stand.

The Acting Speaker (Mr. Turner): Stand at the request of the government.

Mr. Blais: On a point of order, Mr. Speaker, may I say that I believe there is agreement, through the usual channels, that today we will deal with motion No. 13.

Mr. Paproski: That is agreed, Mr. Speaker.

Mr. Herbert: I rise on a point of order, Mr. Speaker. The item just referred to by the parliamentary secretary is the twelfth item on the order paper. I note that the eleven preceding items have been allowed to stand at the request of the government. I note, also, that there is a total of 63 items under private members' notices of motions that have been placed on the order paper since the start of this session.

● (1700)

Of the 11 items that have been allowed to stand, four date back to the start of this session on October 10, 1974, and another five are also dated 1974. The other two are dated January, 1975. As a result of some efforts I made earlier in this session to get some order into this chaos of private member's hour, we were supposed to receive notice of business that was coming before us. Now this reaches us about the middle of the week, on Wednesday or Thursday, by which time we have had two private members' hours.

In order for us to have any idea of what business is going on, I think we should revert to the original procedure when an improper argument, or no argument, is presented as to why an item should be left on the order paper. I can understand it under certain circumstances such as the absence or the illness of an hon. member, or other good reasons. But when items remain on the order paper, as they have, for almost two years, I suggest there is something wrong with our procedures. Could we not have some assurance that the government will explain to us why it is willing to pass over business in this fashion?

While I am on my feet, may I say that I intend to rise tomorrow on the matter of public bills, because so many public bills have been passed over, including three bills of mine, and nobody took the trouble to call me.

Mr. Paproski: Shame on you guys.

Mr. Herbert: Obviously, the procedure is not working satisfactorily and I think there should be an explanation from the government as to why we are following the order in this fashion, so that we can have some idea of what we are doing here during private members' hour.

Mr. Blais: Mr. Speaker, I do not want to delay proceedings on this order of business that has been agreed upon. I should like to indicate to the hon. member that if he has complaints about the way that these matters are being dealt with, I wish he would advise me prior to making his comments.

[The Acting Speaker (Mr. Turner).]

The procedures are dealt with in the usual way. The notices are dealt with in the ordinary sequence. We accommodate as many private members as we possibly can. As the hon. member has pointed out, evidently there are members who cannot be here when a matter is to be disposed of, and therefore the item is stood with the consent of all parties, so that not only hon. members but the departments are made aware of the matters that will be debated.

This is the first complaint I have had relating to any of the matters that have been disposed of during private members' business. I should like to point out to the hon. member that we are now operating under a special House order which permitted the reinstatement of an item in private members' hour, nowithstanding the fact that under the rules the item would have expired as a result of the length of this particular session. At that time there had been no complaints relating to the way in which we were disposing of these items. Neither have I received complaints from hon. members opposite. As was indicated to me by the hon. member for Cochrane (Mr. Stewart), that is one of the more efficient procedures that we have at present.

Mr. Knowles (Winnipeg North Centre): Who is he?

Mr. Blais: I have listened to the hon. gentleman. I was not aware that he had been bypassed on any of the matters that he wanted to have debated in the House. If he has a matter that precedes any of the items that have been debated, and he has not been consulted, then surely there is something wrong and I undertake to look into it very seriously. However, I wish to point out to him that we are all private members attempting to dispose of as much business as we possibly can, and we hope we are dealing with these matters with complete fairness.

Mr. Knowles (Winnipeg North Centre): May I point out, Mr. Speaker—whatever validity the hon. member for Vaudreuil (Mr. Herbert) may have with respect to his position—that a week ago today this very item was called. It was then 5.30 p.m.—we had taken some time to vote on an aspect of a certain iniquitous matter—and the hon. member for Yukon (Mr. Nielsen) requested that the matter be stood over until the next time and that it retain its position. There could be a nice legal argument as to what position was to be retained, but it was certainly understood that the next time there was private members' hour this motion would have priority and would be called. As I say, the hon. member has an argument with respect to the general matter of private members' business, but it seems to me that today is a special case.

It is not often that I answer for the government and appear to be an advocate for the hon. member for Yukon, but I think we should proceed as indicated.

Mr. Nielsen: Certainly, what the hon. member for Winnipeg North Centre (Mr. Knowles) has just said can be found on page 13087 of *Hansard*, which is tantamount to a House order that we would be on this subject today.

The Acting Speaker (Mr. Turner): I should like to point out to the hon. member that I will take his point of order under advisement. I should also like to point out that on May 3, as recorded at page 13087 of *Hansard*, the following exchange took place:

MR. SPEAKER: The immediate difficulty with that is that tomorrow is an opposition day. I take it the intention is that it be on the next appointed day.

The House has heard the terms suggested by the hon. member for Yukon (Mr. Nielsen). Is it agreed that motion which would ordinarily be called at this time will be put over and will retain its priority until the next appointed private members' hour, and in the interim the Chair will prepare whatever ruling was anticipated. Is that agreed?

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

Mr. Herbert: I can only assume that I did not properly convey my feelings in this matter. I am not objecting to the business being called before the House today. I am objecting to the fact that 11 items of business, nine of which date back to 1974, and two to January, 1975, are allowed to remain on the order paper. I am not objecting to today's business.

Mr. Reid: Mr. Speaker, I just want to say that I do not believe the government should have the right to dictate what takes place in private members' hours. That is the right of the private member. If private members choose not to have their business come forward, that is their right. I do not believe the government should impose on the House of Commons what is to be taken up in private members' hours, as has been suggested by the hon. member for Vaudreuil (Mr. Herbert).

* * *

THE CANADIAN CONSTITUTION

REQUEST FOR APPLICATION OF CONSTITUTIONAL PRINCIPLES TO TERRITORIES

The House resumed, from Monday, May 3, consideration of the motion of Mr. Nielsen:

That, in the opinion of this House, the government should immediately introduce legislation to implement the resolutions of the Yukon Territorial Council and the Northwest Territorial Council requesting that the government apply those principles of constitutional and democratic development that will establish a fully representative and responsible system of government to the Yukon Territory and the Northwest Territories respectively.

The Acting Speaker (Mr. Turner): Order, please. When notice of motion No. 13 was being considered last February 3, 1975, the Chair expressed reservations about the procedural acceptability of a proposed amendment by the hon. member for Sault Ste. Marie (Mr. Symes) which reads as follows:

That the subject matter of motion No. 13 be referred to the Standing Committee on Indian Affairs and Northern Development for further study and that the committee be authorized to travel to the Yukon and Northwest Territories to hear witnesses.

Hon. members will recall that at that time the Chair took this proposed amendment under advisement. The Chair would like to point out to hon. members the provisions of the Standing Order 46 which are as follows:

When a question is under debate, no motion is received unless to amend it; to postpone it to a day certain; for the previous question; for reading the orders of the day; for proceeding to another order; to adjourn the debate; to continue or extend a sitting of the House, or for the adjournment of the House.

In my opinion, the proposed amendment of the hon. member for Sault Ste. Marie does not seek to achieve any of those objectives. It raises a new question not contemplated in the notice of motion of the hon. member for Yukon (Mr. Nielsen) and it seeks to increase the powers of a committee beyond those set forth in Standing Order 65(8) by allowing the committee to travel. It must be stressed that when a committee wishes its powers to be increased, it must seek that authority from the House itself through a report which requires notice of 48 hours. The same rule also applies to members of the House. In short, the hon. member is raising by way of an amendment a substantive motion which requires a different notice.

I should also like to draw the attention of the House to citation 203(5) in Beauchesne's Fourth Edition, which reads:

An amendment was ruled out because it raised a new question which could only be considered on a distinct motion after notice.

● (1710)

For these reasons, I regret that I cannot accept the amendment and therefore cannot put it before the House. The hon. member for Yukon.

Mr. Nielsen: Thank you for recognizing me, Mr. Speaker.

The Acting Speaker (Mr. Turner): Order, please. If the hon. member speaks now, I should point out to hon. members that he will close the debate.

Mr. Guay (St. Boniface): Who will close the debate?

Mr. Nielsen: The last time this matter was debated—

[*Translation*]

Mr. Cyr: Mr. Speaker, you have said that if the hon. member for Yukon (Mr. Nielsen) took the floor, he would close the debate on this motion. Are we debating today a new motion or is it the debate of February 3, 1975 that is resumed?

An hon. Member: Yes, we are going on.

[*English*]

The Acting Speaker (Mr. Turner): It is my understanding that we are resuming debate on motion No. 13.

Mr. Blais: Mr. Speaker, I am rising on the same point of order. It was my error that I was not listening to your comments at the time. Was there some indication that the hon. member had already begun, or had made initial remarks on this motion?

Mr. Nielsen: It is in *Hansard* for February 3, 1975.

The Acting Speaker (Mr. Turner): The hon. member for Yukon moved the motion. The Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mrs. Campagnolo) had the floor on February 3.

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Yes, Mr. Speaker, and I must admit that this is a rather long speech because it appears to have gone on for a year and a half. However, I appreciate very much your recognizing me today so that we can once again discuss the matter of the Yukon provincial status.

Mr. Nielsen: Mr. Speaker, I do not know where this hour has gone. So far there have been fifteen minutes spent on points of order raised by hon. members opposite. I am sure hon. members would like to see the motion disposed of. From the debate of February 3, 1975, I was under the impression—and far be it from me at any time to want to curtail the hon. lady—that she had concluded. She did not call it six o'clock on that day, and I suggest that if someone other than myself is to be recognized—and I thought I had been recognized—the hon. member for Gaspé (Mr. Cyr) feels pretty strongly about speaking and wants to speak. However, I really think the hon. lady had perhaps exhausted and completed her remarks last year.

The Acting Speaker (Mr. Turner): It is my understanding that the parliamentary secretary has three minutes left in her speech.

Mrs. Campagnolo: I greatly appreciate the fact that the Chair has allowed me my three minutes after a delay of a year and a half, so I will be quite happy to compose myself for a three-minute speech on the matter of provincial status as proposed by the hon. member for Yukon (Mr. Nielsen). In view of the fact that such a great deal of water has gone under the bridge since our previous discussion, I think at this time it might be fair to reiterate the motion itself. The motion reads as follows:

That, in the opinion of this House, the government should immediately introduce legislation to implement the resolutions of the Yukon Territorial Council and the Northwest Territorial Council requesting that the government apply those principles of constitutional and democratic development that will establish a fully representative and responsible system of government to the Yukon Territory and the Northwest Territories respectively.

As a matter of fact, in the intervening time we have found that indeed there has been progress made in the two territories of Canada. We have indeed seen changes in the administration which indicate that the Yukon and the Northwest Territories are progressing down the road to self-realization at a rather rapid rate.

Mr. Nielsen: Down the tube.

Mrs. Campagnolo: I did not hear the hon. member. In any event, I should like to bring to the attention of my hon. colleagues the fact that Bill C-51, the Northwest Territories Representation Act, was enacted by parliament on March 13, 1975, to be precise. This bill amended the British North America Act and the Electoral Boundaries Readjustment Act to provide a second seat in the House of Commons for the Northwest Territories. This is another indication of the progress which has been made in the recognition of the two northern territories. It also provided for the establishment of a boundaries commission, as is the case in the provinces, to hold hearings and to make representations with regard to the division of the two territories into constituencies.

[The Acting Speaker (Mr. Turner).]

I am sure I do not need to list the reasons for the second seat, as the hon. member for Northwest Territories (Mr. Firth) on several occasions in the past pointed out the difficulties of his mandate due mainly to considerations such as the size of his constituency and the important cultural, economic and geographical differences between the western and eastern areas, not to mention the communication and transportation problems involved in the extremely large expanses of the Yukon and Northwest Territories.

I am sure the last thing this government would want to be accused of would be to have gambled on the future of the Territories and to have undermined their promising potential by having proceeded too fast in pushing them forward to a new status.

Mr. Nielsen: Try us.

Mrs. Campagnolo: Mr. Speaker, I thank you for the time.

[*Translation*]

Mr. Alexandre Cyr (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I am pleased to take this opportunity to resume debate on the motion put forward by the hon. member for Yukon (Mr. Nielsen). Even though over one year have elapsed since the House dealt with this matter for the last time, the hon. member does not seem to know precisely what has been done regarding the resolutions referred to in the motion. This situation is perhaps explained in part by the fact that he cannot precisely mention those resolutions.

When the motion was put forward for the last time in the House in February 1975, the hon. member referred to motion No. 1 of the Yukon territorial council, dated January 23, 1968—as recorded on page 2851 of *Hansard* of February 3, 1975. However, he did not refer to other resolutions.

I dare say he might have been thinking of motion No. 40, adopted by the Yukon council in April 1966. Now, the motion of 1968 is almost indentical to motion No. 40; or perhaps was he thinking of motion No. 28, agreed to by the Yukon territorial council on March 30, 1972?

[*English*]

Mr. Nielsen: Take either one.

Mr. Cyr: Or perhaps he was thinking of two motions that the Yukon council passed on March 27, 1974, regarding Bill C-9? We do not know precisely to what resolutions of the Northwest territorial council the motion is referring to. And now, he has just told us to take either one. It could be the one that was passed on March 28, 1974, after the council had examined the provisions of Bill C-9 to amend the Northwest Territories Act.

● (1720)

Mr. Speaker, I dealt with this aspect of the motion because I think it is important, in view of the time that has elapsed since Motion No. 13 was officially introducted the last time, that is a year ago, it is important to know, as much as possible, to which resolutions the hon. member of the opposition was thinking when he presented his motion in October 1974, with a view to examining it and give it all due attention. After my remarks, doubtless my colleague

for Yukon could advise the House in this regard so that, I am quite confident we will, we can better understand the scope and effects of the proposal and, therefore, have a clearer idea of what its results will be.

May I be allowed to review the resolutions I defined, in the light of the national objective of the government for the north, and the legislation passed by Parliament and put into force by the government, in order to take stock of the progress accomplished in terms of the objectives of the proposal.

Hon. members will certainly recall that a former Minister of Indian Affairs and Northern Development (Mr. Chrétien) who is now President of the Treasury Board had defined the government's national objectives for the north, the priorities for northern development and a plan of action for the 70's when he appeared before the Standing Committee on Indian Affairs and Northern Development on March 28, 1972. The minister said this, which I quote:

> The statement is not a detailed blueprint for the future, nor an attempt to cover all areas of northern policy. It is in no sense a White Paper, a "grand design" or a rigid 10-year plan. It is not an announcement of brand new policy in the North. It has been anticipated in ministerial statements on numerous occasions, in speeches in the North and at many conferences—wherever northern policy was being discussed. It is a consolidation and an explication of recent policy decisions and orientations. It is a comprehensive and coherent presentation of what the government seeks to achieve in the Northern Territories, showing how the government intends to deal with opportunities and problems arising there.
>
> The statement presents a flexible framework of policy guidance for government plans and operations in the north—those of federal departments and agencies and both territorial governments. For the first time, the Canadian people can see clearly the nature of the government's approach to northern development and the future direction of Canada's policy in the north.

With its approach based on evolution the government indeed answered the main part of the territorial councils' resolutions to the largest extent possible. During recent years, significant changes took place in both territories. The increasing rate of oil and gas operations and the growing awareness of the natives who became interested in the role they may play in northern development, partly contributed to emphasize the value of the north. To this are added the factors related to geographical situation, population, basis of taxation, economic growth and experience in managing the territories, which all relate to the realization of the objectives of political and constitutional autonomy. The Yukon and the Northwest Territories stretch over wide expanses but harbour relatively few people.

Thus, the Yukon covers 207,076 square miles and has a population of about 20,000; the Northwest Territories cover 1,304,903 square miles and have a population of about 38,000.

Fiscal revenue is low compared with general territory expenditures and, until now, the total economic growth has been limited. For instance, Mr. Speaker, I note that in 1975-76, the fiscal revenue of the Yukon, including revenue from all sources and an income tax replacement subsidy, totalled 64.8 per cent of the global territory expenditures. In the Northwest Territories, where fiscal revenue is low compared with general expenditures, the corresponding figure was 33.5 per cent. The federal government must cover the rest of these expenditures. Following a resolution passed March 17, 1976 by the Yukon Council in favor of a territorial income tax, negotiations on the subject are going on between federal and territorial officials. All this emphasizes the need to act cautiously in granting political and constitutional autonomy to both territories.

However, Mr. Speaker, enormous progress has been accomplished these last few years. All the members of both territorial councils are elected by general elections. This has been the situation in the Yukon since 1908, Mr. Speaker, and in the Northwest Territories, since Bill C-8 was passed in 1974. The provisions of this bill has granted the wishes of the Yukon Council to increase to eleven the number of its members—the proposed increase was from seven to twelve—and gave the councils the right to set the number of their members in the future. An executive committee responsible for advising commissioners in their duties has been established in both territories. These committees include members of both councils, appointed and recalled by commissioners on the recommendations of the councils.

The Yukon Executive Committee was formed in 1970 while that of the Northwest Territories was formed only in 1975. I also note that both territorial councils have been authorized to set themselves the amount of their indemnities and allowances under certain amendments brought in in 1970 by the Act to amend the Yukon Act and the Northwest Territories Act.

Mr. Speaker, under motions No. 40, 1966, No. 1, 1968 and No. 28, 1972, the Yukon asked the minister then responsible for the administration of the Yukon to increase the membership of the Council, to appoint an executive committee, to put under members of the council the administration of territorial departments, to delegate to the council jurisdiction which would allow it to establish its own indemnities and allowances, to increase to 12 the membership of the council and to assign a third member to the executive committee. These changes have been achieved within the government policy which is intended to promote the constitutional and political development of the Yukon, which I mentioned earlier.

I said also that the Yukon has been electing a council for a number of years already. Progress towards a responsible government began in 1970. The expansion of the council and the appointment of a third member to the executive committee will contribute, I am sure, to the achievement of a responsible government.

But any higher objective at this point would extrapolate on the facts in respect of the territory's financial and population situation. Fully responsible government is to all practical purpose tantamount to government of a territory with provincial status. Such government would no doubt involve resource administration, which would of necessity add to the financial burden. I have serious doubts, as certainly does the hon. member opposite, whether the Canadian government can now grant fully responsible government while retaining responsibility for Yukon's viability.

The cabinet would act in an irresponsible way if they took such a position. It is the hope of the government, and hopefully that of the Yukon people, that when territory administration becomes fully responsible, it will be self-sufficient and will not have to constantly come to Ottawa to beg for funds.

As for the Northwest Territories' Council it gave its support to Bill C-9 in the resolution already referred to. The people in that area also look forward to the day when their administration can move up to political and constitutional self-government. But I think it is desirable to give them some time to adapt to the changes involved. I realize my hon. friend from Yukon wishes this to be accomplished during his term in Parliament. He hopes to become the first premier of the province of Yukon, but I do not believe this can be done now. The government should be in a position to closely monitor developments to ensure timely changes. The ministers will above all wish to take into account the political situation in the territories when following the practice of naming councillors to the executive committee.

I submit, Mr. Speaker, the government has demonstrated its willingness to prepare the emergence to full government responsibility by both territorial administrations. I feel, as stated in the national purposes for the Canadian north, that the transition must be made in accordance with the wishes and aspirations of the inhabitants of the north. Considering the increased participation of northern natives in territorial affairs and their representations to the government, it can be concluded that those wishes and aspirations are changing. Time is necessary to consider their meaning.

Mr. Speaker, even if I somewhat took the member for Yukon to task this afternoon, I must thank him for providing to the House the opportunity of considering northern development, an issue increasingly affecting almost every Canadian. I told him that if he intends to set up his own political party in the new province of Yukon, he could suggest as Lieutenant Governor a native of the Territories.

● (1730)

[*English*]

Mr. Nielsen: Mr. Speaker, may I ask the hon. member a question? I know that some of the hon. member's ancestors went to the Yukon during the days of the gold rush. Does he not think that by what he is saying he is causing them to turn over in their graves?

Mr. Cyr: Yes, and they also married Indians.

[*Translation*]

Today we saw and examined the progress made in this area in recent years, and we are now aware of the need to bring in other changes. I think those changes are only a matter of time. I am also convinced that the government will bring them about just as effectively as those that have already been made.

Mr. Speaker, in concluding I would be remiss if I did not point out that when I was chairman of the Committee on Indian Affairs and Northern Development we had the opportunity to visit the Yukon on a number of occasions, and even the Northwest Territories, and I must say that we received a warm welcome.

I also think that my colleague for Yukon will remember that the new leader of his party, the hon. member of Rocky Mountain (Mr. Clark), when we went to Inuvik, Tuktoyaktuk and Yellowknife in August 1968, was at that time on his honeymoon trip with us.

And that was in 1968. I think it is worth recalling that trip we made with the hon. member for Rocky Mountain in the north on that occasion because he was interested in those two territories. Having said that, Mr. Speaker, I think that concludes my remarks on motion No. 13 now before us.

[*English*]

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I am very happy to have this opportunity to say a few words in this debate on the motion put forward by the hon. member for Yukon (Mr. Nielsen). I will read the motion so that it will form part of the speech I will send to my constituents in order that they will know what remarks I have made in this House. The motion reads:

> That, in the opinion of this House, the government should immediately introduce legislation to implement the resolutions of the Yukon Territorial Council and the Northwest Territorial Council requesting that the government apply those principles of constitutional and democratic development that will establish a fully representative and responsible system of government to the Yukon Territory and the Northwest Territories respectively.

This is a very important motion and I am happy to see it debated here. It is time that something was done to change the situation in the Northwest Territories and the Yukon. We have a colonial situation. Although we have fully elected bodies, they can be overruled by an appointed civil servant. That is an intolerable situation in this day and age.

I believe, as I am sure many other northerners believe, that we can capably look after our own affairs in both territories. Many people doubt whether we can pay our own way. If we are not doing so now, we certainly could with the utilization of the natural resources in that part of the country.

We are only asking for a democratic right that most Canadians now enjoy. What kind of government would be most suitable is a point that could be debated. Certainly it should be one that is fully responsible, with full taxation powers and so on. The argument about there not being a big enough population does not hold water.

I remind the hon. member for Gaspé (Mr. Cyr) of a certain visit to the north. I was happy to hear him refer to a visit to the Yukon and Northwest Territories. I remind him of what took place at Whitehorse in the Yukon on December 12, 1972. At that time the Standing Committee on Indian Affairs and Northern Development was travelling in the north. The hon. member will recall a motion passed by that committee, which was chaired by the present Minister of Indian Affairs and Northern Development (Mr. Buchanan). I am sure the hon. member for Gaspé voted in favour of that resolution calling for full responsible government for the Yukon. The hon. member now seems to speak completely against what he voted for in the Yukon. He said one thing when he was in the north, and now says something else when he is here.

Mr. Paproski: He speaks with forked tongue.

Mr. Firth: We are only asking for a democratic right that most Canadians enjoy. I say that we can pay our own way, considering what we have in the Northwest Territories. I will only give a partial list. There are two gold mines operating in the city of Yellowknife, and a lead-zinc mine

operating at Pine Point. We have the tungsten mines near the Yukon-Northwest Territories border. We have Imperial Oil, which has been operating for many years at Norman Wells. We have gas being syphoned out of the ground at Pointed Mountain. We have other mines near the Great Bear Lake area. We have all kind of natural resources, renewable and non-renewable. We have the fishing and fur industries. Our people pay income tax; some pay business taxes. I am quite convinced that we are capable of paying our own way.

● (1740)

I do not think one can put a price tag on democracy and say that you can have democracy only if you have the cash with which to pay for it. I think democracy is a basic human right which most Canadians enjoy. I do not see why we should tolerate the continuance of a colonial-type government in the north. After all, the north is one of the most important parts of Canada. In future many important decisions will need to be made about the north, decisions about which northern peoples should have the most to say.

I do not say we should instal in the north a carbon copy of any provincial government. That point was raised earlier and ought to be debated further. The question ought to be considered in northern terms and decided by northern people, whose wishes ought to be respected.

I will not take any more of the time of the House. This is an important motion and I do not wish to talk it out. I suggest that we put the motion to a vote. I conclude my remarks in the hope that this extremely important motion will be put to a vote now.

Mr. Joseph-Philippe Guay (St. Boniface): Mr. Speaker, I am happy for this opportunity to rise and talk on the motion presently before the House. Indeed it is my view that the motion, first introduced in 1974 by the hon. member for Yukon (Mr. Nielsen), presents a special interest since it deals with a question debated at length both in the north and in this House over a number of years.

While reading over the debates of February 3, 1975, when the hon. gentleman introduced this motion requesting the application of principles of constitutional and democratic government in the two territories, I noted that the hon. member referred to some discussions which had previously taken place during the deliberations of the Standing Committee on Indian Affairs and Northern Development which on that occasion took place in Whitehorse. In particular the hon. member for Yukon quoted the hon. member for Sherbrooke (Mr. Pelletier). I raise this point as it concerns what the hon. member for Northwest Territories (Mr. Firth) said a few moments ago.

As I said, the hon. member for Yukon quoted the words of the hon. member for Sherbrooke, who had expressed sympathy for northern residents' aspirations. The hon. member went on to remind the House that a standing committee motion calling for territorial government reform and the introduction of appropriate amendments to the Yukon Act had been adopted unanimously.

Mr. Nielsen: By the committee.

Mr. Guay (St. Boniface): Mr. Speaker, I see no contradiction in what the hon. member for Yukon says. He tried to present a certain matter as constituting a difference of opinion between members of the Liberal caucus and the government.

In my opinion the hon. member's motion calls on the federal government to commit itself to a policy which is already being implemented, and which began to be implemented some years ago.

Mr. Nielsen: Rubbish!

Mr. Guay (St. Boniface): In my view the fact that the standing committe motion was adopted unanimously confirms that the present government's policy has received the agreement of all parties. However, although we may all agree on the principle of constitutional development for the two territories, we may differ on the methods of arriving at the same objective.

While the hon. member for Yukon is in a hurry and appears, at least in theory, to be favouring a rather "go-go" approach leading to a sudden change, not to say a break in the continuity of the evolutionary approach, the present government has opted for a more progressive approach which will permit it to avoid the drawbacks inevitably linked to rapid change. I shall have the opportunity to develop this point later, if time permits.

For the time being I wish to concentrate on the achievements of the government in recent years regarding the constitutional development of territorial government. I said a few moments ago that the government adopted a progressive approach. Because of that the government has been accused of being colonial and paternalistic, for example, by various theorists who dream about great principles but forget about the practical aspects, the vital needs of the population concerned. We must not forget these. On the other hand it is false to say that the progressive approach we have taken has been the equivalent of maintaining the status quo. To suggest that the situation has not changed extensively in the last ten years is unfair.

I remind my colleagues in this House that only ten years ago there was no territorial government of the Northwest Territories as we know it today.

Mr. Firth: There is still no adequate government.

Mr. Guay (St. Boniface): At that time the Commissioner was operating from Ottawa, with the assistance of a handful of civil servants. Only in 1967 was he transferred to Yellowknife, when the government acted on the recommendation of the Carrothers Commission which, by the way, saw most of its recommendations put into practice by 1970.

Mr. Nielsen: Who wrote that?

Mr. Guay (St. Boniface): The hon. member asks who wrote this. I wrote it since the hon. member spoke. It is easy to follow the hon. member, because he tends to repeat the same thing. At the same time, it is only fair to put the facts straight, to let people know what the government has done and what it intends to do, instead of trying to make some drastic change which would not be to the advantage of the people the hon. member represents.

Since 1967 a number of important changes have been made to the two territorial acts. I will now provide, as a reminder for the benefit of my colleagues, a brief description of what those amendments did to further the constitutional evolution of the two territories.

In June, 1970, amendments to the Yukon Act and Northwest Territories Act were passed by parliament which were in keeping with the recommendations of the Advisory Commission on the Development of Government in the Northwest Territories—the Carrothers Commission—and were designed to increase the local responsibility of the territorial governments and the councils, and to further the federal government's policy of constitutional development in the north.

Speaking on second reading of Bill C-212, an act to amend the Yukon Act, the Northwest Territories Act and the Territorial Lands Act, on May 13, 1970, the previous minister of Indian affairs and northern development, now President of the Treasury Board (Mr. Chrétien), described the purpose of the bill in the following way:

> ... it is aimed at promoting the constitutional development of both territories, in the sense that it will enable their residents to assume more responsibility in the day-to-day administration of their respective governments.

Essentially, because the amendments to both acts were passed, the life of each territorial council was increased from three to four years from the date of the return of the writs for a general election, subject to dissolution by the governor in council at an earlier date in consultation with the respective councils; the commissioners in council were authorized to prescribe the qualifications of persons who may vote or be elected in territorial council elections; the commissioners in council were empowered to legislate on matters concerning the administration of justice in the two territories; the requirements for the commissioners to seek the approval of the governor in council to lend or invest money from the territorial consolidated revenue fund were removed; the period of disallowance of territorial ordinances was reduced from two years to one year; and the commissioners in council were empowered to set the indemnities and allowances of the members of the two councils and the members of council committees.

● (1750)

Additional amendments to the Northwest Territories Act altered the size of the council from 12 to 14 members by increasing the elected membership from seven to ten and reducing the appointed councillors by one, from five to four. There was also a provision authorizing the commissioner in council to further reduce the number of appointed councillors, subject to the approval of the governor in council.

In the same speech on May 13, 1970, the minister further announced a major step to be taken in the constitutional development of the Yukon Territory, although it did not appear in the bill: the establishment of an executive committee. In June, 1970, he instructed Commissioner Smith to establish an executive committee comprising the commissioner, his two assistant commissioners, and two members of the council nominated by the council. The details were discussed by the council at a special session held in June and July. During debate the concept of the executive committee was endorsed by councillors who recognized its significance as an important step towards the development of an executive along provincial lines.

In 1972 the minister confirmed the government's policy when he announced before the Standing Committee on Indian Affairs and Northern Development that the federal government had adopted seven major objectives for northern Canada. One of those national objectives is "to further the evolution of government in the northern Territories". Although those objectives were stated in general terms, they were "comprehensive in scope and closely related to Canada's national goals and interests," to use the minister's words. Then one year later, in March 1973, the minister again addressed the Standing Committee on Indian Affairs and Northern Development and reported that:

> Political development in the Northwest Territories has been one of our greatest concerns since the Carrothers Commission report in 1966 and, as I mentioned in my statement to this committee on March 28, 1972, one of our national objectives in northern development over the next ten years is to "further the evolution of government in both northern Territories". Of course, in this area much has already been achieved, both Territorial Councils are very aggressive in carrying out their responsibilities. Most of the provincial-type government services, with the exception of resource development, are now under the control of the Territorial governments and as in the past, my estimates provide for increased financial assistance to both the Yukon and Northwest Territories Governments.

Mr. Speaker, in light of what I have said before, and with all due respect to my colleague, the hon. member for the Yukon, I do not think the population of the northern territories has been considered as a second-class population, nor can I share the view that the population of the two territories has had to suffer in the past by reason of the so-called colonial status of the Territories. I would think that the hard times and the difficulties of life in the north are the result of climatic, geographic, economic and social circumstances rather than the political or constitutional arrangements. As a matter of fact, I would submit that the presence of the federal government has been a benefit rather than a handicap to the northern population. And although the government is working toward a situation of greater autonomy for the two territorial governments, it would be foolish to think that this can happen in one day. The present government's policy has been to try to balance the two notions of prudence and change; the outcome of this balance is called progressive evolution.

It is with this requirement in mind, Mr. Speaker, that in 1974 the minister introduced Bill C-9, a bill to amend the Yukon and the Northwest Territories Acts. The bill was enacted by parliament in April of the same year. I will deal first with the changes that affected the Yukon Act.

The size of the fully-elected council was increased from seven to 12. This measure was designed to reflect the increased population of the Yukon, its geographical diversity, and to allow for the formation of parties in the council. This change was given effect at the Yukon territorial general election on November 18, 1974, when Yukon voters elected a new council of 12 members to serve for the next four years.

Bill C-9 also provided for the council to increase or decrease its size in line with future changes in the Yukon's population. This will provide more flexibility especially in view of the significant population fluctuations which may occur as a result of changes in the largely resource based

territorial economy. However, the number of members cannot be fewer than 12 nor greater than 200.

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

Mr. Guay (St. Boniface): Yes.

Mr. Nielsen: My question is more in the nature of clarification. I do not think the hon. member would want that last statement to stand. He was not on the committee, but there was a discussion between the minister, the representatives of the Yukon council, and myself during the committee proceedings on that bill, at which time an undertaking by myself and the elected representatives of the council was given the minister that the size of the council would not be increased beyond 12 until after the 1978 election. That is where we stand on the fixed undertaking, that the size of the council will not be altered. That has a bearing on the aspect of the bill to which the hon. member refers.

Mr. Guay (St. Boniface): I do not know whether the hon. member for Yukon heard me properly, Mr. Speaker. He can read what I said in *Hansard*, or I can repeat it. I said that Bill C-9 also provided for the council to increase or decrease its size in line with future changes in the Yukon's population. This will provide more flexibility, especially in view of the significant population fluctuations which may occur as a result of changes in the largely resource based territorial economy. However, the number of members cannot be fewer than 12 nor greater than 20. That is what I said about Bill C-9 a moment ago.

Mr. Nielsen: But my only point is that we are frozen until 1978 by our own undertaking.

The Acting Speaker (Mr. Turner): Will the hon. member for St. Boniface (Mr. Guay) accept a question?

Mr. Guay (St. Boniface): No, Mr. Speaker, I would rather finish what I want to say.

The Acting Speaker (Mr. Turner): The hon. member for St. Boniface has the floor.

Mr. Nielsen: Let's take the vote, Joe.

Mr. Guay (St. Boniface): I should like to conclude by saying—

The Acting Speaker (Mr. Turner): Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock p.m. later this day.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Arnold Malone (Battle River): Mr. Speaker, at five o'clock when I was part way through my speech on Bill C-84 I had been talking about the essential cultural formula that exists in all societies where we in essence have sets of established behaviour that are either rewarded or punished. We have to view the whole concept of behaviour, reward, and punishment as a package, and in fact it is folly to think we can focus on any one aspect of this formula and create a situation in which we have a society that is well behaved or one within which we would have what you could call established societal norms.

Perhaps it is in order again to point out one of the questions which ought to have been considered prior to the discussion of Bill C-84, and that is the method of execution, should the bill happen to fail. This makes a tremendous impact on the views of many people. I think there is no doubt about it, after all the historical references that led to the very concept of execution, the practice of hanging was developed in a period of time when the sole intent of the practice was to be punitive and torturous. Its purpose originally was not simply to execute a person, taking him out of society for some ill-founded behaviour, but in fact to make him suffer as painful a death as possible. Prior to adopting the practice of execution by hanging it was the practice to draw and quarter, to burn at the stake, or to do whatever else might be deemed to effect a very miserable death.

In view of the perspective as to how society should view the practice of capital punishment in more modern times, we need to consider not only whether we do or do not retain the practice, but also what method of execution there will be if capital punishment is retained.

I did mention before, and I want to put it on the record at this time, that the statistical data in respect of this question are, by and large, irrelevant. I say that because there has not yet been established in this House an empirical relationship, in the cause and effect sense, which correlates capital punishment to an improved cultural system of human behaviour.

We are talking then about shaping and changing behaviour, which in fact what must happen. We are considering what we must do in respect of the influences and stimuli that shape and mould the behaviour of human beings. To take this position one necessarily has to believe there are only three factors that influence human beings' behaviour; one of these has to be generic heritage, another has to be the state of health at the present time, and the third has to be the sociological and physiological environment in which human beings live. It is in that latter area that we can

point to the fact that governments at all levels have been terribly negligent. I have quoted my sources in that regard.

I suggest the government has not attempted at all to create the kind of environment which removes psychological stresses that have become so apparent in what is considered to be a modern, advanced technology, but a society which in many ways has cast human beings into an environment far foreign to their original heritage. I think it is because of this that we have to begin focusing our attention on reshaping the environment, and perhaps I should list these ways once again. We have to do something very significant about violence on television. These days about 50 per cent of prime time viewing involves acts of violence. We also have violence in sports. We must do something about our child abuse laws. I should like to stop at that point and put on record a quotation from the April, 1973, edition of *Psychology Today*. This is a conclusion of these two gentlemen based on research. It states:

● (2010)

· We believe that the real frustration and violence that abound in our adult society are the major sources of children's aggression. If parents are violent, then we can expect the children to be violent. Studies of the families of aggressive children consistently show that the parents of these children are inclined to be violent themselves, particularly when they punish the children.

It continues, and reaches a further conclusion:

We must begin to modify our adult society, the real adult society in which our children are being raised, if we are to reduce aggression.

I think that makes sense. Any farm kid knows that if he has a litter of puppies and if he feeds one, gives it milk and kicks the other one, it is rather obvious which one will bite him when it is one year old. In this country, though it is largely a question of provincial legislation, we have to face the question of child abuse. Particular emphasis should be given to this.

We probably have some very archaic regulations in this country in respect to child abuse. In my home province child abuse is considered to be when a child has a broken bone, lacerations to the skin, or severe bruising. Obviously a child can be severely psychologically abused. He certainly can be abused without having broken bones. I think there is a failure in this regard on behalf of governments. So, to be talking about capital punishment with the myth that somehow that will, of itself change the violent behaviour of society, is an example of irresponsibility on the part of the government because it is not looking at the whole package of the stimuli which lead to the conditioning of a society.

To focus on punishment alone when the whole system is being ignored, I think is folly. There is another thing we might say when we talk about violence or abuse. There is an interesting observation that can be made about the people depicted as being killed on television. The first is that, generally speaking, people shown as being killed on television fall into one of two categories. First there is the person who is totally unknown or scarcely introduced to the play. The ambulance comes around the corner and finds the person dead. The stories start from there. That is when the police investigation begins. So, because the person has never been introduced as a character for which there is some empathy, obviously the very act of killing becomes something that is not offensive to the viewer.

[Mr. Malone.]

The other characteristic in what happens on television is that the people who are killed are the bad guys. Of coursse the natural conclusion children can draw from that is that because he is the bad guy he deserves to be killed. The member opposite may chuckle, but I think an observation regarding television and how it treats the whole concept of human beings killing one another is something to which surely we must address ourselves.

If we take a look at the play Hamlet as it would have been treated in Shakespeare's day, the deaths in that play and in other Shakespearian plays were tragedies in the truest sense because they were of characters with whom one generally became well associated and involved. They were in the real sense tragedies.

I think there is another aspect of law and order upon which we need to focus if we are to talk about a society that increases its rate of violent behaviour, and then subsequently we might come to the position that the government has earned the right to bring in an abolitionist approach. This has to do with how we treat people who disobey the law.

One of the practices we have in our society is that, over and over again, judges in courts will let people off on their first offence on the grounds that they have only committed their first offence. The folly in that kind of thinking has to be that, in the conditioning process or learning behaviour, when people discover they can get away with something it is simply an enticement in respect of what they continue to do. In any other practice or training this is just the opposite of how one would use the concept of reward and punishment.

We would not allow a dog to steal eggs from the chicken coop, let him do it for three months, and then decide to train him otherwise. We would not let a child shoot a hockey puck through a picture windows several times, and then decide to train him otherwise. But we do this in respect of people who commit first offences, second offences, and third offences. I have done some research on this, Mr. Speaker, and I note the tremendous frequency with which people are committing very serious crimes and getting off a whole succession of times, until finally the judge realizes that that particular person has a bit of a record behind him and hands down long harsh sentences because he thinks he must protect society.

If we look at it from the opposite view, in the way one would train any other organism, the approach ought to be—and this can be documented by behavioural studies and behavioural psychology—that if you use the punishment system the punishment must come very close to the act itself, it must be short, and it should be harsh. That has been well demonstrated in the military situation. A person may be caught committing some offence. His sentence may be only 48 hours in length but it was not very comfortable. He may have had to scrub the whole gymnasium floor only to see the whole platoon walk through it with their muddy boots, and have to do it over again and then wax it. At the end of the 48 hours he sure recognizes that he does not want to be in there anymore. I would recommend that with first offences that is the approach we should take. The sentence should be short, it should be harsh but not inhumane, and the punishment should follow very quickly upon the criminal act committed.

If we carry on any kind of analysis or study of what is happening in respect of Canadian law and order today we see that a farce is being made of a system which should in some way be trying to shape human behaviour. Our system excuses and lets off people over and over again. Therefore people have the idea that with that kind of behaviour one can flout the law. Then what happens? Finally the judge recognizes that in order to protect society he should impose sentences of five or six years when there has been no behavioural training with regard to the person involved in the criminal act. I believe that is a most serious kind of approach, and we must readjust our whole concept.

I do not think the government of this country knows whether we have jails in order to be punitive, whether we have them for the purpose of protecting the public, or whether we have them for rehabilitation purposes. I think that if we travelled from one penal institution to another across this country we would find that the members of the prison staffs would not be able to tell us why they are there in terms of those three objectives. Until we have that clarified and crystallized, and begin to recognize that we must shape a court system that is aimed at trying to make the public behave in a certain manner, and then address all of our activities toward achieving that goal, I do not think we will ever have an adequate degree of success in terms of decreasing the violent crime rate in this country.

I wish to make some comment to those who have spoken of the inhumaneness of execution and life sentences. I would bring to the attention of those who take such a position that in West Germany where there is an extended sentence to life, but not the practice of execution, almost 50 per cent of those who were sentenced for what we would consider in this country to be capital murder committed suicide prior to the end of their term in jail. Of course that obviously leads to their terminating their jail sentence. The fact of the matter is that points out that there is a tremendous depression which takes place in respect of those who have long jail sentences. Is that more humane?

Further we know that psychologists have told us that once a person spends ten years within prison walls he really acquires the kind of psychic mind that cannot adjust to the full practice of a normal life as it was known before. I think that has to be borne in mind, and one should ask the question again: are we being any more humane in sentencing someone to 25 years in prison or in jail and assuming that somehow that is treating that person in an advanced and mature way?

● (2020)

Finally I should like to mention again that I challenge those who take the abolitionist stand on the pretext that this is the higher ethic. Wherein does the higher ethic lie if we as a group of legislators legislate to do away with something that almost the whole of the nation wants? Where is the higher ethic in abolishing capital punishment when the citizenry want to retain it? Far better be it for us that we focus our attention on all these things—and we can list them from 50 to 100 different kinds of concepts that I was trying to enumerate before five o'clock today—which would decrease the violent crime rate in the country. What the government ought to do is to bear the burden of decreasing violent crime so that the public would give due consideration to the notion that it could get along without capital punishment. It is not a question of whether or not we are abolitionists, but a question of priority.

This bill is called the bill on peace and security, I wish it meant that. If it did, it would have the courage to focus on the stimuli that affect human behaviour. The focus is on the punishment or reward system without including the whole cultural context of behaviour development. It must be treated as a package if it is to be effective. If this bill passes, it will not make a bit of difference in the crime rate of this country because that is not what is affecting violent crime. It is a myth to call it peace and security because nothing will happen to the crime rate unless we do something to the rapid growth of cities, the bad design of apartments, the noise levels in urban centres, child abuse, television, nutritional aspects as they affect this country, our economics, boring jobs, the lack of employment for many people in various parts of the country, stronger regulations in dealing with alcohol and drugs, children, sports and violence in sports, and the creativity of play.

I could go on and on dealing with the various aspects but I will simply conclude by saying that it is not enough to focus just on punishment. If we are going to address ourselves to peace and security we must focus on those stimuli that affect human behaviour. That should have been the first priority of the government. Had it earned that right, then perhaps in due course somewhere down the road, with a more satisfied populace, it would have earned the privilege to talk about abolition. At this time in history it has no right to bring that position before the country, and I think peace and security cannot fall from this bill. I only hope that the bill will fall.

Miss Aideen Nicholson (Trinity): Mr. Speaker, in rising to speak on Bill C-84 one is very much aware of taking part in a debate that has been going on for a long time.

The first bill concerning abolition of the death penalty to be introduced in the Parliament of Canada was presented in 1914, during the Borden government, by an opposition member. The bill did not pass. Forty-two years later, that is, in 1956, a joint committee of the Senate and House of Commons reported that it was in favour of retention of the death penalty for murder, piracy and treason; it did not recommend any change in the definition of murder and, in particular, advised against introduction of various degrees of murder. The committee, however, recommended that appeal procedures be improved.

Until September, 1961, all persons convicted of murder were sentenced to death and executed unless the Governor General, on the advice of ministers, commuted the sentence to life imprisonment.

From September 1, 1961, to December 28, 1967, the crime of murder was divided into "capital" and "non-capital" murder. The Governor General continued to review each case and to decide whether or not the sentence should be carried out. Section 202A of the Criminal Code defined capital murder as "planned or deliberate" murder during certain crimes of violence, or the murder of a police or corrections officer who was on duty.

On March 21, 1966, the then government House leader, Hon. George McIlraith, moved debate on the abolition of the death penalty based on a resolution put before the House of Commons by four members—two Liberals, one

Progressive Conservative, and one NDP. It was agreed that the resolution, moved in a non-partisan way, would be decided on a free vote. The resolution read as follows:

> Resolved that it is expedient to introduce a measure to amend the Criminal Code for the purposes of
>
> (a) Abolishing the death penalty in respect of all offences under that act
>
> (b) Substituting a mandatory sentence of life imprisonment in those cases where the death penalty is now mandatory
>
> (c) Providing that no person upon whom a mandatory sentence of life imprisonment is imposed shall be released from imprisonment without prior approval of the governor in council.

An amendment to the motion whereby the death penalty would be abolished on a five-year basis only was rejected on April 5 by a vote of 138 to 113 and, at the end of the debate, the main motion was rejected by a vote of 143 to 112.

In 1967 the government of Prime Minister Lester Pearson introduced, and parliament enacted, Bill C-168 to abolish the death penalty for a five-year trial period, except in cases of capital murder which, as defined under Bill C-168, related to murder of policemen and custodial staff. Bill C-168 did not amend the sections of the Criminal Code relating to treason and piracy, so that these two offences continued to be punishable by death.

Bill C-168 differed from the resolution of 1966 in that it allowed for the retention of the death penalty for capital murder, and that the period of partial abolition would be limited to a trial span of five years. Debate on second reading concluded November 30, 1967, and the bill was referred to committee by a vote of 105 to 70. Among the amendments introduced during consideration in committee of the whole was one to abolish capital punishment completely and replace it by mandatory life imprisonment; this was defeated by a vote of 106 to 37. Bill C-168 received Royal Assent in December, 1967, thus abolishing the death penalty for five years except for treason, piracy, and murders of police and custodial staff.

With expiration of the partial moratorium on capital punishment in 1972 parliament was faced with the options of extending the partial moratorium or returning to the death penalty.

On January 26, 1973, the hon. Solicitor General (Mr. Allmand) introduced Bill C-2 providing for a further five year extension of the trial period for the abolition of the death penalty, except for cases of capital murder. This debate was again conducted on a non-partisan basis.

On May 29, 1973, Bill C-2 was given second reading and was sent to the Justice and Legal Affairs Committee. The vote was 138 to 114. A proposed amendment to eliminate the death penalty entirely was ruled out of order in the committee on June 21, 1973. Parliament gave the bill final approval in October of 1973 by a vote of 111 to 106. This legislation abolished the death penalty in all cases except those dealing with capital murder—murder of police and prison guards—for a trial period until 1977. The bill did not amend the sections of the Criminal Code dealing with piracy and treason, two crimes which still carry a maximum sentence of death.

[Miss Nicholson.]

● (2030)

Since December of 1962 there have been no executions in Canada. It is difficult to understand the position of those who have criticized the five commutations of the death penalty which have taken place since 1968 as "breaking the law" or "flouting the will of parliament". The authority to commute sentences, including sentences of death, has existed since Confederation in two ways: first, the ancient right of the Crown to grant mercy, a right which was transferred to the Governor General by letters patent in 1947; and second, the statutory power of the Government of Canada.

The statutes of Canada in 1869 contained provisions for statutory commutation of sentences. Section 129 of the statute of 1869 reads, and I quote:

> Nothing in this Act shall or doth in any manner limit or affect Her Majesty's royal prerogative of mercy.

Section 684 of our present Criminal Code deals with statutory commutation and section 686 with royal prerogative. Section 684(1) reads as follows:

> The Governor in Council may commute a sentence of death to imprisonment in the penitentiary for life, or for any term of years not less than two years, or to imprisonment in a prison other than a penitentiary for a period of less than two years.

Section 686 reads as follows:

> Nothing in this Act in any manner limits or affects Her Majesty's royal prerogative of mercy.

For a description of the royal prerogative of mercy I am indebted to the report published in 1956 of a committee which was appointed under the chairmanship of Mr. Justice Fauteux to inquire into the principles and procedures followed in the remission service of the Department of Justice of Canada, part of which reads as follows:

> The prerogative powers consist of all the special dignities, liberties, privileges, powers and royalties allowed by the common law to the Crown, which have not been taken away by statute. One of the important prerogatives that remains vested in Her Majesty in right of Canada is the royal prerogative of mercy. Under it a pardon may be granted to any person convicted of a criminal offence or the punishment imposed by the court in respect of the offence may be commuted or remitted.
>
> In Canada the power is exercised by the Governor General on behalf of the Queen. The Letters Patent that constitute the office of Governor General of Canada direct, in effect, that the Governor General shall not exercise the royal prerogative of mercy without first receiving the advice of the Privy Council for Canada in capital cases . . .
>
> In addition to this all-embracing prerogative power, there are several Acts of Parliament that authorize the granting of similar relief to offenders . . .
>
> . . . this combination of prerogative and statutory powers provides a useful flexibility which assures that relief can be granted in all deserving cases. Such a combination of sources of relief existing under the British system of government is also to be found in other countries.

Senator Neiman pointed out in her speech on May 20, 1975, that:

> The government's rights to commute a sentence of death, as well as the ancient prerogative of mercy, have been part of the statute law of Canada at least since we became a nation. They reflect the will of parliament as much as any other federal statute or enactment, including those which empower the government to direct that a person shall be sentenced to death for certain offences.

As one looks at the history of capital punishment in our country, one is impressed with the procedural safeguards which exist all through the process of charging an

individual with murder, the hearings and appeal system, before the final sentence is passed. The meticulous carefulness of the procedures, together with the use of commutation, make it clear that from the time of Confederation on, Canadians have regarded the taking of life—even the life of a criminal—as a serious and awesome responsibility, and certainly not as a sentence or sanction to be applied routinely.

Professor Black, professor of jurisprudence at Yale, in his book "Capital Punishment: the Inevitability of Caprice and Mistake" states:

> The Law of Moses is full of the death penalty. But as time went on the Court in ancient Jerusalem, without of course touching one syllable of this law, devised procedural safeguards so refined, so difficult of satisfying, that the penalty of death could only very rarely be exacted.

Professor Black also states that the English judges of about 1800, administering capital punishment for some 250 crimes, became "terribly fussy about the exact wording of indictments." Professor Black interprets this pattern of surrounding the death punishment with procedural safeguards as saying, in effect, and I quote:

> Though the justice of God may indeed ordain that some should die, the justice of man is altogether and always insufficient for saying who these may be.

This sentiment has been expressed in different words by many of the constituents who wrote me individual letters or who, as a group, signed letters with other members of churches in my constituency. In addition, in their letters many people raised the point that a sentence of death is the only final and irreversible sentence for which there can be no redress if an error is made.

In conversations with constituents who initially represented themselves as being in favour of retention of the death penalty, I have found that many of them also had some misgivings about the taking of life. Their position was less one of wanting retribution than one of wanting protection for society from dangerous, callous murderers, and on reflection they were often satisfied that the sentences proposed under Bill C-84, together with the measures proposed under Bill C-83 and the measures enacted under Bill C-71, will provide that protection.

Capital punishment was considered as a last resort in the defence of society before we had statistical evidence to show that it is not a deterrent.

Most murders in Canada are family murders, or murders between people who have some kind of emotional attachment to each other. Statistics Canada figures show that of a total of 4,658 murders over the 14 years from 1961 to 1974, 1,842, or 39.5 per cent, were domestic murders, a further 247, or 5.3 per cent, were described as "love triangles or lovers quarrels," and a further 364, or 8.6 per cent were "close friends." Many of these murders occur in association with misuse of alcohol or drugs or in cases of mental illness. They are sudden and unplanned, and it seems highly unlikely that people who kill in those situations take into account the existence or otherwise of capital punishment.

Family murders are tragic for the people concerned, and it is urgent that society address itself to the problem. However, those who consider seriously the retention of capital punishment do not advocate it for family murders but for contract murders or murders committed in the course of a criminal act; in other words, the calculated, deliberate act which threatens society in general rather than a family.

Does capital punishment serve as a deterrent to hired killers or those who carry out planned and deliberate murder? The evidence so far is that it does not, that these are people whose life style includes acceptance of the risk of being killed by police if they resist arrest during commission of a crime or being killed by their criminal associates during disputes.

● (2040)

A 1968 United Nations document assessing international data on capital punishment reads:

> With respect to the influence of the abolition of capital punishment upon the incidence of murder, all the available data suggests that where the murder rate is increasing, abolition does not appear to hasten the increase; where the murder rate is decreasing, abolition does not appear to interrupt that decrease; where the rate is stable, the presence or absence of capital punishment does not appear to affect it.

I am convinced that, in the short term, the most practical and effective deterrent is the certainty of detection and conviction.

Sir Robert Mark, Commissioner, Metropolitan Police, London, has reasoned as follows:

> 1. To prevent the "awful possibility" of putting an innocent man to death, procedural rules of interrogation and trial require an exceptionally high standard of proof of guilt and it naturally makes the task of prosecution difficult;
>
> 2. One cannot have two systems of investigation and trial, one for the handful of capital murders, and another for the other two million offences recorded in England and Wales each year, and
>
> 3. Accordingly, the practical effect is inevitably to lessen extensively the effectiveness of the criminal law as a deterrent to crime or as a means of catching and, most important of all, of convicting criminals.

The commissioner also provided the following quote from Lord Devlin:

> If the success of a criminal prosecution is to be measured by the proportion of criminals whom it convicts and punishes, the English system must be regarded as a failure. Far too many people who have in fact committed crimes escape punishment. When a criminal goes free it is as much a failure of abstract justice as when an innocent man is convicted.

It is my considered view that, since there is no evidence that capital punishment is a deterrent, and some evidence that, in fact, its existence creates difficulties in convicting criminals, not only in cases of homicide but in other criminal acts, there is no logical reason to retain it.

Sir Robert Mark also said:

> I am opposed to the death penalty and so are most of my senior and most experienced colleagues simply because its continuance prevents the reforms necessary to increase the effectiveness of criminal justice.
>
> The establishment of the truth rather than the determination of technical guilt ought, in my view, to be required of everyone involved in a criminal inquiry once irrevocable punishment has been removed from the statute book. If, as our lawyers in Britain, maintain, the objectives of justice are now the protection of society, the deterrence of crime, the rehabilitation of the offender and the compensation of the victim—with punishment or retribution playing only a secondary part—it seems not unreasonable to suggest that the credibility of the suspected or accused person should be related at least to some extent to his spontaneity rather than to that period of reflection and consultation between interrogation, arrest and trial which continually produces some of the most ingenious, plausible and highly paid forensic fiction of our time.

Finally, I would like to associate myself with the members of all parties who, in response to the question, "Will you vote according to your conscience or the views of your constituents?" have pointed out that a member of parliament owes his or her constituents both industry and judgment, as well as attentiveness. The views of constituents are important and deserve careful consideration, along with all other information one can examine and assess.

The final responsibility of the parliamentarian is to legislate effective measures to protect the public and this responsibility is taken seriously by parliamentarians. To suggest that we vote on a basis of "conscience", "instinct" or "gut feeling" only, rather than on a basis of painstakingly acquired knowledge, carefully assessed and rationally applied to the best of our ability, is to ascribe to us a degree of moral and intellectual laziness which is not typical of members of the House. Hon. members may examine the same data and reach different conclusions, but that is a very different situation from one of failing to examine data and having the kind of arrogance in ignorance that lets one cast an uninformed vote. I repeat that I know of no member of this House who operates in such an irresponsible fashion.

Because the question of capital punishment is literally a question of life and death, it is generally seen by the media as a vote of conscience, but every vote we cast in this House or in committee, every policy we advocate in caucus affects people's lives and is a matter of conscience as well as judgment. And one important function of a conscientious member of parliament is to be well informed, to appraise information, and to try honestly to take positions that are in the national interest.

I think the provisions of Bill C-84 offer an improved measure of security and protection to the Canadian people and, therefore, I intend to vote in favour of the bill.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I do not know whether I should say I am delighted to have the opportunity of taking part in this most important debate or whether I should say that I feel it necessary that I take part in this very important debate.

I listened to the hon. member for Battle River (Mr. Malone) and was extremely impressed with his sentiments.

Some hon. Members: Hear, hear!

Mr. Alexander: I hear the government whip saying "hear, hear", Mr. Speaker. I would think that all hon. members could agree that it was a speech of some significance.

The part I appreciated was when the hon. member indicated that governments should earn the right to an abolitionist state. They have not earned that right. The hon. member went on to speak of environmental malaise and what it would mean to both urban and rural dwellers. He said the government had not paid attention to this and was concentrating on punishment alone because it had not earned the right to abolition. My hon. friend, for whom I have a great deal of respect, indicated that he will not vote for the bill. Be that as it may, Mr. Speaker, I will tell you what my position is on this subject.

[Miss Nicholson.]

I have listened to other hon. members speak and have been extremely impressed with their remarks. I have been fortunate enough to have taken part in many debates in this House, but this is a debate without rancour, a debate that is sensitive and allows members to give concrete reasons for their views, whether they be abolitionist or retentionist. I appreciate that.

How easy things would be for us at this time if easy bail were not a thing of the past as is early parole. If I have received one letter on those subjects I have received hundreds. These two matters account for a considerable amount of fear and frustration felt by the Canadian people. They are concerned about easy bail and early parole, but now we have taken steps to counter this so perhaps their fears will be allayed somewhat. How much easier would our task have been if we had moved in those two directions earlier.

● (2050)

Let me not hesitate in bringing into focus my position on this bill. In doing so I would like to read the preamble of a notice in the Ottawa *Citizen* of April 27, 1976. I suppose it was part of blanket newspaper coverage throughout this land. This is a statement by the Canadian Civil Liberties Association. That is an organization of some significance composed of men and women from all professions, of the cloth, law, people who are concerned about justice and civil liberties. I want to read it because I accept this statement. It is part and parcel of my argument. It says, and I quote:

> Capital punishment is an exercise in senseless violence.
>
> The killing of even the worst killers will gain nothing for society that could not be gained by less violent means, for example, by imprisonment. Scores of studies in many countries over long periods of time fail to show that capital punishment reduces the number of murders.
>
> This is also true of the killing of policemen. A 25-year comparison of more than 80 similar American cities showed that the death penalty made little difference to the rate of policemen killed. In fact, in places using the death penalty, the rate of police homicides was slightly higher.
>
> We share the grief of those whose dear ones have been murdered. We share the anxiety about the innocent victims of brutal crimes. But understandable distress must not divert us from facing facts.
>
> The death penalty cannot help yesterday's victims and it is unlikely to save tomorrow's targets. What it is certain to accomplish, however, is the legitimation of useless killing. That is a result we must strive to avoid.

I am an abolitionist, Mr. Speaker, and will vote for the bill.

Some hon. Members: Hear, hear!

Mr. Alexander: I say this not in an arrogant and self-centered way, but with every concern, respect, and sympathy for the opposite view, particularly as expressed by many of my constituents who have asked that I vote against this bill.

As members of parliament we are placed in a very peculiar position. Why? Because there is some question as to what is a representative. I believe with all my soul and heart that I was elected in 1968, 1972, and 1974 to discharge my duties and responsibilities as best I can under the circumstances.

Some hon. Members: Hear, hear!

Mr. Alexander: If my leadership is wanting, if my attitudes are inconsistent with those of my constituents, then surely I must face the penalty. What is the penalty, Mr. Speaker? The penalty is the possibility of defeat at the next election.

If my constituents on an over-all assessment of my contribution to this House, not only with respect to capital punishment but with respect to my role as opposition critic—I am not bragging about that, I happen to be fortunate—with respect to unemployment insurance, Manpower, welfare, urban affairs, labour, the many questions I have asked, the many concerns I have registered—

An hon. Member: The many you have created.

Mr. Alexander: I am not in as much trouble as you are, sitting as a government member.

The Acting Speaker (Mr. Turner): Order, please. Will the hon. member please address the Chair.

Mr. Alexander: Thank you, Mr. Speaker, for admonishing that member who spoke out of turn.

Some hon. Members: Hear, hear!

Mr. Alexander: After that over-all assessment of my role as a representative, I will face that penalty. However, there is one thing that I have found out about my constituents. Many of them dislike my position on this bill, but they respect the intestinal fortitude that I have portrayed.

I am the one who has to face myself in the morning. I am the one who has to live with this decision. I am the one who, after many years of studied concern, had to reach this conclusion. I did not reach it overnight. I do not think any member reached this conclusion overnight. This has been a burning issue for all of us. However, every now and again a person must stand up for what he believes, regardless of what the penalty may be, as long as it is in a legitimate way.

My constituents know that I am an abolitionist. They knew that in 1968, 1972, and 1974. I mentioned it over television. I mentioned it by way of a newsletter. I have stated it in speeches. However, they re-elected me, and for that I am very grateful. And I will go to them again whenever that gang over there has the guts to pull the plug.

Some hon. Members: Oh, oh!

Mr. Alexander: I had better not get partisan. That is usually not my role. I will withdraw that remark if it will allow members to listen to me and accept the proposition which I place before them.

Capital punishment is foreign to my makeup in that I feel it is dangerous, ineffective, and barbaric. To elaborate further on that statement, I wish to make the following comments.

First, I am concerned about and question the morale related to capital punishment. Second, I believe that a mistake is possible through capital punishment, and thus an innocent person can be put to death. Third, I have concluded after much soul-searching and study that capital punishment can be justified only if it has a real deterrent value. However, I am unconvinced that capital punishment does deter murder.

Fourth, although I have concluded that capital punishment does not deter murder, I feel that the doubt created in many, including the experts by their findings, as to whether there is a deterrent value to capital punishment must be resolved because of the doubt in favour of the right to and the sanctity of life. Fifth, I believe that capital punishment dismisses too easily the cause of violence and the need to bring into focus and effect possible cures. This is where the emphasis should be.

We are living in a sick, violent society. We note the disrespect for the home, the family, the church, the schools, law and order, and our basic institutions. I do not believe that capital punishment will reduce or eradicate the disrespect which is the cornerstone of violence which concerns all of us. It is incumbent upon all of us to find out why there is this disrespect and increased violence. We must ascertain the causes and find the cure.

● (2100)

I shall spend some time on the next subject for discussion as it is extremely important and gives me some reason to hope. The United States authorities directed their attention to this matter back in 1968. A commission was appointed; it made certain recommendations which are still valid, and which still show how we are to attack the present malaise of society and what we must do to cure it. It suggested how we could reduce the increase in violence. Many of the recommendations the commission made apply to present day Canada and Canadians.

The President of the United States in June, 1968, ordered the establishment of a National Commission on the Causes and Prevention of Violence. I subscribe to the findings of the commission. They are still valid and apply to this debate. The commission was authorized to investigate and make recommendations with respect to (a) the causes and prevention of lawless acts of violence in our society, including assassination, murder and assault; (b) the causes and prevention of disrespect for law and order, of disrespect for public officials, and violent disruption of public order by individuals and groups.

The commission was composed of a cross section of many groups of citizens, black and white, male and female, young and old, of Republicans, Democrats, persons from the fields of education, law, religion, politics, psychology, history, labour and philosophy. The commission laboured for a year and a half and published its report on December 13, 1969. To me it was a work of monumental significance. Its impact was significant. I recommend its reading to hon. members and to the public at large. The final report of the U.S. National Commission on the Causes and Prevention of Violence is available as a thick book. The conclusions are excellent.

The commission emphasized that two thirds of the American people lived in urban areas where violence thrives. Individual and group specialization have intensified our dependence on one another. Men are no longer capable of solitary living and individual self-defence. Men must live together and depend on one another to observe the laws and keep the peace. I suggest that those words

apply equally to this country and should be noted in this debate.

Expressing a view which applies currently to Canada, the commission said that violence must be brought under control to safeguard life and property, and to make possible the creation of the understanding and co-operation needed to remedy underlying causes. No society can remain free, much less deal effectively with fundamental problems, if its people live in fear of their fellow citizens. It is ancient wisdom that a House divided against itself cannot stand. I subscribe to these views, Mr. Speaker. I support measures which would eliminate violence in our free society. In my view, the better control of illegitimate violence, such as violent crime in our society is an urgent imperative. It is within our means to achieve this end.

Many studies have identified the basic causes of violent crime. Those basic causes apply to people in this country as well as to those in the United States. How are we to cure violent crime? It is suggested that warring on poverty, unemployment and inadequate housing, is warring on crime. Civil rights laws are laws against crime. Money for schools is money used against crime. Medical, psychiatric and family counselling services are services which fight crime. Most important of all, every effort to improve life in Canada's cities and ghettos is an effort in the war against crime.

We have not taken seriously the impact of such measures on our war against crime. For this reason I wish to place on record several findings of the commission to which I referred. These findings are most important and should be taken seriously if we are to attack root causes of violent crime and the unacceptable increase in the incidence of crime. The commission reported:

... we have identified certain themes of challenge for the leader and people of America. Among these are the following:

First: As we have noted, not all violence in our society is illegitimate. Indeed, a major function of society is the organization and legitimation of violence in the interest of maintaining society itself. Unfortunately, however, the existence of legitimate violence—from a shooting in lawful self-defense through international violence in the form of warfare—sometimes provides rationalization for those who would achieve ends or express grievances through illegitimate violence.

Second: Violence by some individuals may result in part from a deranged mind or abnormal biological make-up. Experts agree, however, that most persons who commit violence—criminal or noncriminal—are basically no different from others, and their behavior is the result of the complex interaction of their biology and life experience. Scholars observe that man has no instinct or trait born within that directs aggression in a specific way. He does have, from birth, the potential for violence. He also has the capacity for creative, constructive activity and for the rejection of violence. Insofar as life experience teaches individuals violence, the incidence of violence is subject to modification, control, and prevention through conscious changes in man's environment.

Third: Historically, when groups or individuals have been unable to attain the quality of life to which they believe they are entitled, the resulting discontent and anger have often culminated in violence. Violent protest today—from middle-class students to the inhabitants of the black ghettos and the white ghettos—has occurred in part because the protesters believe that they cannot make their demands felt effectively through normal, approved channels and that "the system," for whatever reasons, has become unresponsive to them.

Fourth: Progress in meeting the demands of those seeking social change does not always reduce the level of violence. It may cause those who feel threatened by change to engage in counter-violence against those seeking to shift the balance. And the pace of change may be slower and more uneven than the challenging group is willing to tolerate. We see these social forces at work in our country today. After several decades of rapid social change, we have better housing, education, medical care and career opportunities for most groups in our society than at any time in the past. Nonetheless, these advances have been uneven, and what we have so far achieved falls short of the needs or expectations of many. Impatience is felt on all sides, and our social order is subject to escalated demand both from those who desire greater stability and from those who desire greater social change.

Fifth: The key to much of the violence in our society seems to lie with the young.

Remember, this report was made in 1969. It is still valid today. I continue quoting:

Our youth account for an ever-increasing percentage of crime, greater than their increasing percentage of the population. The thrust of much of the group protest and collective violence—on the campus, in the ghettos, in the streets—is provided by our young people. It may be here, with tomorrow's generation, that much of the emphasis of our studies and the national response should lie.

Sixth: The existence of a large number of firearms in private hands and a deep-seated tradition of private firearms ownership are complicating factors in the task of social control of violence.

● (2110)

Does that sound familiar, Mr. Speaker?

Seventh: Additional complications arise from the high visibility of both violence and social inequalities, resulting from the widespread impact of mass communications media. The power impact of the media may aggravate the problems of controlling violence; on the other hand, the media may be one of our most useful social agents for explaining all elements of our society to another and achieving a consensus as to the need for social change that may help to reduce levels of violence.

The hon. member for St. John's East (Mr. McGrath) has continually tried to impress upon the government that it should move in the direction of controlling violence on TV. This has also been referred to by my hon. friend from Battle River and others.

Eighth: Social control of violence through law depends in large measure on the perceived legitimacy of the law and the society it supports. Persons tend to obey the law when the groups with which they identify disapprove those who violate it. Group attitudes about lawful behavior depend, in turn, on the group's views of the justice provided by the legal order and of the society which created it. The justice and decency of the social order thus are not simply desirable embellishments. On the contrary, a widespread conviction of the essential justice and decency of the social order is an indispensable condition of civil peace in a free society.

Ninth: Our system of criminal justice suffers from an under-investment of resources at every level—police, courts and corrections. Partly because of this accumulated deficit, the criminal justice system is neither as strong nor as fair as it should be—and consequently it has failed to control illegitimate violence as well as it should.

Does that sound familiar, Mr. Speaker? I repeat that these words were written in 1969.

Tenth: The social control of violence does not depend merely on the conduct of those who attack or defend the social order. It depends also on the attitudes, co-operation, and commitments of the community—of our political, religious, educational, and other social institutions and of citizens in every walk of life. Violence in our society affects us all. Its more effective control requires the active engagement and commitment of every citizen.

I want to emphasize "every citizen". Let the government not simply say to members of parliament, "Pass this bill on capital punishment or defeat it", and that is an end to it. There will have to be a commitment from every citizen to accept the themes of challenge that I have just put before the House. But if those challenges are accepted, Mr. Speaker, do we not then have hope for and faith in the future? It seems to me those challenges should be accepted. They

should be pursued as closely as possible. Not until they are found impossible to accept should this nation subscribe to capital punishment.

If all of us gave a total commitment in this regard, Mr. Speaker, if all of us gave a total commitment toward solutions that those ten themes beg, then would we be faced with this bill on capital punishment? Would members of parliament be concerned about whether or not we will be returned if we vote either for or against the bill? We would not have had to bother with such a measure as this.

We have received letters which can be counted by the hundreds from our constituents, Mr. Speaker. Statistics and other material do not mean a thing in deciding this issue. All we know is that there has been an increase in violence, the blame for which lies in the home, the school, the church, our political system, television—I could go on and on. Yet I am asked to vote against this bill.

Let me quote a letter written by a man whom I do not know, but I will put his name on record. All of my colleagues have received letters both pro and con. These letters allow us the opportunity of forming an opinion. Putting aside rhetoric, passion, and questionable motives, we look for letters that are responsible and sincere in order to assist us either up to make up our minds or to maintain the position we took some time ago. I wish to refer to a letter from Thomas David Birmingham, from R.R. 3, Courtenay, B.C. He writes:

> Proponents of the death penalty accuse abolitionists of undue sympathy for the murderer, and have spent long happy hours thinking up such terms of "bleeding hearts", "sob sisters", and even "monkey-faced religionists" to describe all who disagree with them. The truth is that many of us seek nothing but a better Canadian society; and concern for the murderer, while real and genuine, is far down on our list of priorities. But we have become convinced, after long and careful consideration of all factors, that executions, far from preventing murder, are actually a contributing cause both of murder and violence . . .
>
> A point often overlooked is that, because capital punishment is irrevocable—the prisoner cannot be freed if further evidence turns up that proves him innocent—many jurors will not convict while even a shadow of doubt remains. The result is that dangerous men are turned loose who would otherwise be in jail.

Did we not hear the Solicitor General make a similar statement? I do not want to give the Solicitor General all the credit; he, together with other members of the government, has helped frustrate this whole issue. But let me stop there, Mr. Speaker, since I said I would not become partisan. This debate should be beyond partisanship. Let me quote another important statement in this letter:

> All studies based on fact have proved time and again that hanging is not an effective deterrent to murder. Why, then, the demand for a return to capital punishment? My first reaction, and that of many Canadians, on learning of some senseless murder is a desire to hurt the killer as he has hurt society. Our sense of outrage demands that they hang someone to make us feel better! This, then, is a revenge reaction to which the light of sober second thought has never been applied. The vital question here is: are we mature enough to base our decisions on fact and reason, or will they spring from motives of hate and revenge? Are we, in short, capable of building a civilized society?
>
> There are problems and dangers in today's world that can only be overcome by a society that is no longer ruled by emotions of hate or fear. So it is that I hope we abolish the death penalty; for what would indicate at least a future, and even the possibility that we have the character and intelligence to make that future bright.

I want to thank Your Honour for your indulgence, and I want to thank all hon. members for giving me so much of their time. I hope I have raised some question in their minds and cast some little doubt. If I have, Mr. Speaker, all I can say is that that doubt should be cast in favour of respect for life and the sanctity of life.

Mrs. Simma Holt (Vancouver-Kingsway): Mr. Speaker, I enter this debate in opposition to Bill C-84. My position is that capital punishment must remain in the Criminal Code so that society, and society's agents, have the basis on which to move against killers who plan and carry out ruthless murder.

We as a parliament must make it clear to Canadians what our priorities in justice are. We must make it clear that we care about our law-abiding citizens above all else. Victims and their families—families often permanently injured emotionally, economically and spiritually by the brutalization of the murder of a loved one—must be assured that the state will put their right to life above that of their killers. The survivors of murder in a family have a right to expect, not only protection, but knowledge that the punishment of the killer was equal to the crime. We must decide quickly whose priorities to safety and life in this nation must be first.

● (2120)

I have fought for the lives and paroles of killers, have been deeply involved with many of them during the death watch, and in commutation or execution. Despite this, or perhaps because of it, I still put the rights of these people second to that of society and to their victims' families.

The public mood should also dictate to all of us—on both sides of this House—our duty. It may be that the anger, the fear, even a seeming disillusionment with parliament is over the public impression that members of parliament seem to disregard their wishes. Some quote Edmund Burke, an arch-Tory who lived 200 years ago, before teletype, television, Xerox, space and jet travel, who could not get to his constituency because it was too far, 100 miles away, and who was elected by only a few upper class males. We live in a different age—one of universal suffrage, universal education; a quickly informed nation. Yet we use Burke's principle to pretend that we have the right to superimpose our consciences over those of the Canadian people. It is sheer folly, snobbery, elitism—and the public, our constituents, rightly resent this. Certainly we must make decisions. We cannot have them here to help us make decisions, but when their view has been so clear on this issue certainly we must not treat that view with contempt.

Confidence in parliament is already being sorely tried. It does not matter who leads it, what party is in power, there is a deliberate campaign abroad to assure contempt for all established authority. It began among students and academics in the late 1960's. It was against authority—parents, police and everybody over 30. Now it is parliament itself. We should not aggravate the situation by pretending somehow that we 262 people here, common people elected by common people, have superior wisdom, superior judgment, and the right to act against the expressed wishes of the public.

The fabric of our entire community, of the relationship between those who govern and those who are governed, can be in jeopardy if we ignore the 80 per cent who

demand the restoration of capital punishment. They possibly are more humane and/or knowledgeable than those who accept the 25-year prison-without-hope as an alternative for capital punishment.

It may well be that if the public is not permitted a catharsis in its present anger and fear, perhaps even revenge—which so many of us do not like to discuss, but which I dare to express, if the public is not allowed the opportunity to express its disapproval at indiscriminate killing and maiming, we could seriously rupture the basic order of society and make violence an acceptable way of life, with the law-abiding citizen its tormented pawn.

The impression is that the lawbreakers, wrongly, of course, seem to be receiving the state's protection and succor, while those who live within the law and want to be safe and decent are left to fend for themselves; that the underworld is taking the controls from those assigned to set and administer the law. This is a reality. Just recently an undercover worker, a stool pigeon for the police in Vancouver, said he could no longer help them in drug cases. He said to the police they had only seven year sentences for murder, but—out there—on the street—they have capital punishment. He was killed within two hours after telling them what was happening on the street.

Julien Critchley, member of parliament for Aldershot in the British House of Commons, an abolitionist throughout his ten years in parliament, reversed his position because he said, and I quote:

We may rupture the link between people and parliament, bonds that have already loosened.

There is no doubt that the Critchley statement is applicable here today. Those who can rely on Edmund Burke of the 1770's, here in the 1970's, will no doubt meet the same fate at the polls as he did. The voters of Burke's time, in the 1770's, and those who have elected us, have the right to be represented and not to have a member of parliament's conscience superimposed on the majority.

Fortunately I have long been of the same opinion as my constituents of Vancouver-Kingsway in the matter of capital punishment. I know them to be good, just, fair, and humane people. They are people of a wide range of eduction, knowledge, and experience. They are professionals, tradesmen and tradeswomen, and labourers. They are stable people who, in the main, own their own homes, and many were born in the homes in which they still live. These people have seen what every Canadian can soon expect to see, unfortunately, and that is their quiet, peaceful neighbourhood turned into one of the most violent areas in Canada.

My constituents may be losing their cool over the issue before us now, and I understand how the unwarranted, unnecessary statements by one man could have caused so much anger. A total of 79.3 per cent of these people indicated they want capital punishment restored. Since then, and that was a year ago, they have let me know that they feel even more strongly about this matter in hundreds of letters, phone calls, visits to my office, and petitions, and in cold anger at the fact that a member of the cabinet has threatened to resign if he did not win his bid for abolition. They are angry, not in a partisan way, but at all of us who sit in this House and act as though their wishes are irrelevant.

[Mrs. Holt.]

I consider my constituency an all-people riding, variegated with many economic, social, and cultural factors; a microcosm of Canada. The day I cannot act for them I will leave this place. I can assure all of you here that if you do not act for the majority Canadian constituency, all of us as well as the job we do here will be irrelevant.

I oppose every aspect of Bill C-84, both within my own conscience and on behalf of my constituents. First, I oppose the abolition of capital punishment in cases of premeditated, deliberate murder, not only for the killers of policemen and prison guards, but also for those who cause death in the commission of such ruthless crimes as kidnapping, rape, highjacking, armed robbery, and assault.

Some hon. Members: Hear, hear!

Mrs. Holt: I would also like to add the worst and cruelest murderers of all to the list who should face the possibility of death for his or her horrendous crime; those who commit mass murders, maiming and inflicting extreme, if not excruciating pain—the drug trafficker, the non-using drug trafficker, who has not one single decent motive or shred of kindness and whose only objective is a huge income out of the sale of torture and death.

Besides drug deaths, these people are responsible for ordering or contracting murder by others of anyone daring to compete for even the smallest share in a vast market. They also murder anyone who might be a problem, even for crying out too loudly with the cramps and excruciating pain that comes when deprivation of the drug begins. Capital punishment could certainly be a deterrant in these business crimes, and this would certainly stop many who merchandise narcotics. I challenge anyone who says it would not be a deterrent in that area.

Secondly, I am opposed to this bill because the alternative, what is seen as a trade-off for abolition, is even more cruel than anything the hangman can do. This is day-by-day torture, human waste, and anyone who has spent any time watching a man in prison knows what I mean. This is torture for 25 years or 9,125 days without hope. Approach your own life in this way. Think of that time in relation to your own life, or your child's life. It is also a licence to kill others trapped in the same prison; the inmates and guards.

The sentence of 25 years to someone 20 or even 25 really means living life out in a prison. To the 20-year old, age 30 seems like senility. Remember, to them, everyone over 30 seems old and nearly dead. He sees himself in prison until he is 45. The 25-year old sees 30 as old, 40 or 45 as near death, even the end of life. He will be there until he is 50 years of age. His years of love, marriage, family, and productivity will be lost. There is no reason to live. He can see it.

● (2130)

I should like to refer to a man I know and for whom I have been fighting for years. He went in at age 21. He is still there in the penitentiary at 42. He went to prison for shooting a man who called his wife a whore in a nightclub. He said, "They will not hang me and will not let me hang myself." He tried repeatedly. He had no reason to live and now they have extended the time of parole eligibility for two years more—as if two more years of his life were nothing. The younger men will be more dangerous, but

whether 20 or 30 they are well aware that they have nothing to lose.

"Nothing to lose" is the phrase we hear over and over again from the lifers. Andy Bruce is the example that comes to mind because it is the most current of many over the years. Andy Bruce was about 20 when he deliberately went on his job to kill a young go-go dancer. He did it coolly, without any compassion, in front of the woman's nine-year daughter. He was involved in the hostage taking in the B. C. penitentiary where Mary Steinhauser was killed. He was recently in a second hostage-taking incident. He has constantly said that if he is killed he has nothing to lose. In fact he has invited people to kill him in every way possible because he does not want to live.

Third, I am also opposed to the bill which maps alternatives to buy the abolition vote here and in the community, because people will be sent to prison for long terms who should not be imprisoned. Those who commit second degree murder also will receive excessive sentences of 10, 15 or 20 years. Some of these people will be scooped up in this because of one second of anger or passion, a moment of wildness, perhaps trapped in a love triangle or because of being involved in a drunken party. They will go to prison for 15 years and their children will be destroyed by this imprisonment when probation would serve them and society better. They are people who never before, or after, commit a crime. They could stay out and be productive citizens, paying taxes and sustaining their families instead of having their families forced to go on the welfare rolls, often with the result that their children are damaged or placed on the road to crime or madness.

Society is not served at all. These people usually need neither excessive punishment nor rehabilitation. Certainly no prison rehabilitates. Long sentences, and even sentences of four or five years without parole can only make a person worse than when he entered prison.

Perhaps I should make it clear that in seeking to keep capital punishment on the books I do so because this means that only few will face the charge. It could be only one in 500 or one in every 200. The courts are meticulous in these cases. Some people here seem to think that it is wrong if some go free. I think it is an advantage that the courts take such care. I have attended many murder trials and have seen the care with which juries hear evidence. I have observed the care with which the judges instruct on the evidence. Not only are the many alternatives in the defence listed and the evidence reiterated by the judge even after it is given under oath, but the jury is exhorted to consider the alternatives to capital murder such as second degree, manslaughter, assault causing bodily harm, assault, and acquittal. They are also instructed in great detail about reasonable doubt—the doubt always goes to the accused.

As for the expressed fear of the abolitionists that innocent men might die, there is only one known such case, the Evans case in Britain. On the contrary, I have had personal experience in respect of a man who had 59 crimes on his record, and I have reason to believe a good number of murders that were not shown. He was acquitted of the murder of a ten-year old paper boy, Donald Ottley, in Vernon. He has two jury trials on the Ottley murder. The first jury convicted him and the court of appeal of British Columbia ordered a new trial. During the second trial he was again convicted. This time the court of appeal released him on the Hodges Rule, the rule that states that the evidece is consistent with the fact that somebody else could have committed the offence.

Nothing proved to me more the accuracy of the jury system than what happened afterward in this case. Three months after his release he confessed to me that he had killed the paper boy, that he had strangled him. Even as the boy was dying, the killer admitted he released his hold on the boy's throat long enough to hear the last gasped plea for his life. This killer confessed to me that it gave him his orgasm. He told me that he finished it off and threw the boy, in his words, "like an old rag over the fence."

He told this to me privately on Good Friday night, 1962, and the next day before a witness, Jack Brooks, the editor of the Vancouver *Sun*. He told me, "Every time I drink I go on the prowl to kill and I enjoy killing". He confessed to me that he was interrupted in two murder attempts, one on a 16-year-old boy, the other on a homosexual in a Vancouver hotel room. He knew in both cases that I could not trace the victim.

After his confession he fled to the World Fair in Seattle. There he was picked up and confessed again to the Seattle police, this time referring to a young female. The Seattle police were convinced this was a case of another killing, but the killer was too sly to give them the lead to prove another case against him. The point of all this is that they could not charge him under the law of double jeopardy, so they picked him up under the Mental Hospitals Act, and one year after he was put in Riverview Mental Hospital he was released on a loose probation.

Shortly afterward he turned up in Winnipeg. He picked up a nine-year old girl and molested her. If he followed his *modus operandi* he was minutes away from killing her. The difference between this case and the one in Vernon was that the paper boy was not expected home. The family of this child missed her and a search began quickly. He got ten years, and was out in about six. He again picked up a tiny girl, again molested her, and could have committed another murder if he had not been interrupted. Who's right to life is more important? Those children who might have died and the one who did die, or this man?

There are other cases. There is the case of Léopold Dion in Quebec who killed four small children. He was executed by the prisoners in St. Vincent de Paul penitentiary, but four innocent children were forced, first to pray, and then to die violently before jungle justice was done, because we were too afraid to administer our laws. Whose life is more precious?

Regarding the fear of the abolitionists that innocent people could be executed by the state, again may I say I believe society can, and must, trust its courts. From what I have experienced I am confident that they will convict in cases in which there is absolute certainty. The use of science provides a type of positive corroboration in most cases, and the demand for corroborating witnesses in all cases of circumstantial evidence is part of the certainty that justice is done.

Certainly, after all, if there is doubt, cabinet would commute and would begin the search for proof of inno-

cence or guilt. Many times I have gone out to prison at the request of inmates who claimed that they were innocent, that they were in on a "bum-beef", that is, wrongfully in prison. Every time I checked out these complaints it ended with these people admitting that they had committed the offence, but that they should have got off on some technicality or that their lawyer did a rotten job, he was a bum.

My experience has been that more guilty men go free than innocent men convicted. That is not all bad, unless they are dangerous. I have known a good number of the former, and not the latter. Had I found one innocent man I would have fought for his release. I was involved in a case in Seattle involving a Vancouver man. We did get the evidence and he was acquitted of the charge.

Back to the issue of public opinion. We have an informed public. There are those who, as abolitionists, like to pretend they are somehow more tolerant, wiser, and better people than those of the public who want retention. Some even crudely, childishly, resort to labelling those who seek to restore capital punishment as rednecks. I suggest that if that were true, and I reject it, 80 per cent of Canadians, 17,600,000 Canadians, are rednecks. If it were necessary to engage in this childish name calling, I would suggest the antonym for rednecks would be yellow bellies, and I reject that too. But I throw it in as a reminder of the ridiculousness of labelling people with valid opinions based on knowledge, experience, and involvement in the reality of their own neighbourhood and their own friends and families who have been participants in these horrendous incidents.

● (2140)

In many cases they are forced to see and live reality rather than the illusion, as those whose greatest influence and knowledge of crime is from Kojak or Harry O, or imagined ideas of what crime is about, illusions of utopia which they have because of isolation from the harshness of the violence people know in cities such as Vancouver and Montreal.

Perhaps the difference between those influenced by illusion, protected within a peaceful community, and those by reality are contained in two communications which I received from student groups in two different parts of Canada—one from Ottawa which is hardly touched by crime, comparatively speaking, where people walk the streets without being threatened by muggers or assaulted or raped, and Vancouver, a school in my constituency where children live the reality; they are surrounded by violence and crime, Killarney Secondary school.

Three hundred students in nice, safe, comfortable Ottawa, Lisgar Collegiate, signed a petition favouring abolition with a simplistic list of reasons, using almost the cliches of every abolotionist. They said that "innocent people have been executed; cruel and inhuman punishment; violence brutalizes society; it is a morally regressive step; and it has not proven to be a deterrent to murder."

The communication from Vancouver sent by John B. Tyrrell of Killarney Secondary school, a questionnaire given to three of his social studies classes, touched on several areas of concern in British Columbia. But in the segment on capital punishment these were responses to carefully prepared questions. Do you support the government proposal to replace capital punishment with a mandatory 25 year term in prison? None were in favour of it; 41 were opposed; 12 undecided.

The next question was: If you support capital punishment, do you believe the present method of hanging should be replaced by another? Thirteen said yes; 15 no; 24 undecided. Are you in favour of capital punishment (a) for all persons convicted of murder? Nine said yes; 28 no; 16 undecided; (b) are you in favour of capital punishment only when mercy is not recommended? Thirty-five said yes; 12 no; 16 undecided; (c) for the murder of police officers and prison guards? Forty-seven said yes; one no; and five undecided; (d) do you favour it under any circumstances? Only one said yes; 48 no; and four undecided. Regarding impirsonment, are you satisfied with the present system of parole for convicted murders, rapists and child molesters? None of them said yes; none were undecided; all said no. Do you feel that there are some convictions for which there should be no parole? Forty-five said yes; none said no; eight were undecided.

Regarding deterrents: there is a mistaken belief that murder is inevitably an irrational act. That maybe so in some cases, but there are indications that 50 per cent or more are not irrational acts, but are deliberate, calculated, even businesslike. It is used as the law of the underworld which retains capital punishment as one of its main controls; it is used often and in some cases, inappropriately, for slight provocation; it is used by young people who place no value whatsoever on another person's life; it is used for kicks, and I have been involved in cases where a motorcycle gang member did it partly to show off and partly—in his words—to find out "what it would feel like to take a life"—"what powers I would feel in killing a man". He got ten years in 1968. He has been out for about four.

Our system of punishment is based not on deterrence alone, but on what is called justice—a person who has committed a crime must be punished in proportion to the seriousness of the crime. Since the crime that takes a life is irrevocable, so must the punishment. Ernest Van Den Haag, author of "Punishing Criminals", psychoanalyst, and adjunct professor of New York University, adds that, "Since the crime that takes a life is irrevocable, so must be the punishment".

Only those in the grip of passion could not be deterred. Certainly some are deterred. If only a few lives were saved by fear of execution, it is worth while to keep capital punishment on the books. Obviously though, if there is a deterrent, and nobody was killed or there was no attempt to kill, we have nothing on which to compile a statistic. So it is ridiculous to say it is not a deterrent. When nothing happens they cannot have a statistic.

Perhaps the abolitionists are right; there are no statistics to prove it was a deterrent. There could be no statistics if the person was deterred and nothing happened.

Those who are not in the grip of passion, who were out merely for gain or to engage in a planned murder, or murder for kicks of for vengeance of their own, would be deterred.

I can cite numerous cases that prove it is a deterrent. A friend, John Waslynchuk, my "consultant" on crime—an aristocrat among western bank robbers and safecrackers—

told me when the modified law on capital punishment for killers of police officers and guards came into force, that if he were still in business he would now shoot to kill because he would not hang for murder. In the past, when holding up a bank, he never carried bullets in his gun. But with the end to the old law on murder, he and his associates would shoot a pursuer in the hope of escape, and at the same time eliminate one who could identify him in court. Even if caught and convicted, he would get exactly the same sentence for the robbery as he would for murder. "It would be a good gamble to shoot and kill", he said. "Don't you think so?".

I was advised by the hon. member for Louis-Hébert (Mrs. Morin) of another case of a girl who survived because of capital punishment. Léopold Dion and his brother raped a girl on the railway tracks in Quebec, in 1940. Leopold began strangling their victim to death. His brother shouted, "If you kill her, Leo, you will hang". He released her. They were, of course, captured, imprisoned, sentenced to life on November 21, 1940. When he was released on parole in 1962 he again assaulted innocent people, four small boys whom he strangled. Then murder was committed against him. He was killed in prison, because his sentence was commuted. I presume he killed the boys because this time he wanted to be sure there would be nobody to testify against him.

I can assure you that street violence today is more brutalizing than the brutality that people suggest will occur as a result of capital punishment. I was around when they hanged people and I never saw society brutalized—it was a one day news story. The people who are brutalized are the victims, their families and their relatives who, to this day, have never got over it. Street violence is growing virtually out of control and we are so desensitized that when an 11 year old shoots a four year old, the story is nothing more than a newspaper filler. We will soon have a situation similar to that in Washington, D.C. where murder, rape, and robbery are listed in six point type—the print size used for classified ads.

Will a man in prison for 25 years have any reason not to kill again? In fact he has a licence to murder. He can become a hero if he rids the prison of an unpopular guard or unpopular inmate. He can get attention—which most of these people crave. He pays for the first murder; the second, third, etc. are free.

The Solicitor General (Mr. Allmand) claims that long prison terms are a greater deterrent than capital punishment. The logic of that eludes me. The person is alive, with a licence that says he already has life in prison. Another murder or two will not make any difference. Guards need not put their lives on the line to protect us when prisoners try to escape. Why should they risk their lives?

● (2150)

I hold life sacred, that is, the lives of law abiding citizens and those trapped in prison with a killer with nothing to lose.

I have seen the victims of crimes and families broken up after a loved one was murdered. The argument for abolition is made around one case in which I was deeply involved, the case of James Carey. He is the man who was sentenced to hang in 1956. I do not think it is an appropriate case for arguing abolition because at that time everyone who committed homicide was sentenced to hang, or faced the death penalty. Today Jimmy Carey is raising a family of adopted children and heads an orphanage in New Brunswick. A book is being written by Paul King about his case as an argument for abolition.

James Carey was charged at a time when all homicide was capital murder. He was sentenced to hang as an accessory in the pre-Christmas slaying of a police officer named Gordon Sinclair in 1955. Carey did not fire a shot. He was a petty criminal working as a stool pigeon for the RCMP during the drug wars in Vancouver. He was collecting guns for ballistic tests, and during the course of this, one of the people who had been—unknowingly—helping him with this, Joe Gordon, shot and killed a policeman. Carey was with him. Carey had a young friend, a lawyer without experience or talent, who defended him. The life-saving evidence he could have given in court, and that which the police were willing to give, was never entered.

I visited Mr. Carey frequently on death row. I helped raise finances for appeals. But more important, I learned his whole story. I wrote to the then justice minister, Stuart Garson, and I fought for his life right into the Parliament of Canada. A two week stay of execution was given to both Jimmy Carey and Gordon while the director of remissions, A. J. MacLeod, Q.C., came to B.C. to study this new evidence.

Carey's sentence was commuted eleven hours before his scheduled meeting with the hangman. However, I am certain the reasons Carey succeeded were that he was a good human being, a mere petty criminal and that many people were involved in getting his parole early enough, before he was destroyed by prison. He had a woman who loved him. She was a straight woman, and she married him. He suceeded because she shared his dream of helping unwanted children. They have done wonderful work together. They adopted children, and this is the case abolitionists are using. Yes, I say Carey's life was well worth saving. I knew it then, and I know it now. Carey was not and never would have been a killer, despite any of the big talk he indulged in as a young man.

However, the policeman, Gordon Sinclair, had an even greater right to life. Police Officer Sinclair was a good man, probably a better and stronger man than Carey. He would have done good things for his family, then three orphaned teenagers, and his wife. He would have done good things for many others because he was already doing good things up to his death. But no one to this day, with the exception of a few friends and policemen, seem to care as much about the Sinclairs as they do about Carey and Gordon. It would be hard to prove to the family, because I fought so hard to save Carey, but I care very much about what happened to Gordon Sinclair. He was my friend when I was a police reporter. He helped me, and I despised the crime which caused his death.

Sergeant Ron McKay, 46 of Delta, B.C. was threatened with death by a man named Ellery Stephen Long. Long's gun was seized because he was so dangerous, but under the law it was returned to him by a judge, even though it was known he was determined to kill. On November 2, 1975, he carried out his threat. Staff Sergeant McKay, with three other officers, answered a complaint at Long's house.

McKay was the first to the door. Long used a pump action sawed off shotgun and killed McKay. McKay's parents, in their late seventies, are magnificent people who enjoyed their retirement. They were on a trip in California with their motor home when this happened. They were finally found—after the funeral. They tell me that they sold their trailer because they know that if they get sick or into trouble somewhere in their travels, Ron will not be around, as he once was when his father fell ill. At that time he brought them home. They now sit in their rooms, these beautiful gentle people, saddened, their life over and their pleasure over because their son is gone.

Mrs. McKay, the man's mother, a gentle, elegant, grey haired lady, said to me:

I favour capital punishment. My son died needlessly. I would have no hesitation, if someone challenged me, to pull the lever that dropped the trap on my son's killer. Yes, it is revenge. But there is Long in prison, living off society for the rest of his life, mean vicious man who hates authority, who hates policemen. No doubt he will learn to hate guards more. Is he saying: 'I have nothing to lose'?

Constable Roger Pierlet, 23, stationed in Surrey, B.C., was expecting his parents to arrive from Quebec on March 29, 1974, to share the celebration of his engagement. When they arrived, they were told their son had been murdered. Even as they were flying west, John Miller, 29, of Langley and Vincent Cockriell, 19, of Powell River, had set out to kill a policeman. They pulled Pierlet into a chase. Cockriell described the rest. The policeman pulled them over, walked up to the car, and, bang, the young policeman was dead.

Miller, Cockriell, and Long are under sentence of death and no doubt among those waiting for the decision of this House on capital murder. Perhaps they, more than any others, are responsible for the public outcry for the restoration of capital punishment.

Some will say I should not cite cases as proof because they are just one or two instances. However, what greater proof can there be than the innocent dying at the hands of relentless killers who do not fear prison but who might fear execution?

I can list many, many more. On March 2, Ian Wood, then 23, who had bought a Swiss FN automatic by mail, went into a Jericho hostel, occupied by young travellers from all across Canada, sprayed gunfire all over the place hitting four people, and a fifth was injured jumping out of the window.

Richard Smith, 22, of North Bay, Ontario was shot in the face and required intensive care for two months and massive plastic surgery to repair his jaw and face. He was also shot in the left side of his chest and left shoulder, and his right index finger was knocked off. This was not murder, only because the medical care was intensive and excellent. However, he is maimed for life. Christopher Dilly, 22, of Toronto was shot in the right thigh and right femur. He required extensive hospital care and is still using crutches. Arthur Skolnik, 22, of Sillery, Quebec, was injured in the left thigh and shoulder and has still not fully recovered. Paul Alexander Visosky, 20, of Toronto was shot in the right chest and had a collapsed lung. Finally, Yves Pierre Dion, of Moncton, jumped out of the window and was injured. At 3.45 p.m. on June 24, 1975, Mrs. Frieda Buxbaum, 42, parked her car in Eaton's parking lot, in the centre of downtown Vancouver. She was planning to shop for her daughter's wedding the following week. A sex offender on day parole grabbed her before she got out of her car, bound her hands behind her back with a nylon stocking and strangled her. Her body was found there 12 hours later. This was the fourth assault on women in parking lots in that area. Her killer, when captured, complained that she should not have made so much noise.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but it is ten o'clock.

Mrs. Holt: May I finish tomorrow?

An hon. Member: Just call it ten o'clock.

Mrs. Holt: May I call it ten o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

TRANSPORT—DATE OF REPORT OF TASK FORCE REVIEW OF SEARCH AND RESCUE OPERATIONS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, on March 22 I brought to the attention of the Minister of Transport (Mr. Lang) the fact that this matter came to my attention as a result of an answer I received to a question I placed on the order paper. It appears that the lifeboats for air and sea rescue which are provided at certain bases in the Atlantic region, those 44 foot rescue boats which are supposed to provide a patrol and rescue capability, can only operate in a few inches of ice.

● (2200)

I pointed out in the House previously, Mr. Speaker, as a result of an announcement by the Minister of the Environment (Mr. Marchand), who was then minister of transport, that a news release he had issued proclaiming the provision of four new lifeboat bases left and obvious void. This included, for some reason that defies understanding, the whole west coast of Newfoundland, stretching some 400 miles between two bases CG114 in Burgeo on the southwest coast and CG109 on the northwest coast.

A map of the area would show this place two of the lifeboat bases on the east coast and the other two on the south and southwest coasts. There are six lifeboat bases in New Brunswick and Nova Scotia which hopefully provide adequate support and protection for Canadian fishermen.

It is impossible to reconcile how supposed marine experts can determine the future needs and announce that four new lifeboat bases will be established. A Transport Canada news release No. 3875 stated that these four bases would be established in New Brunswick, Prince Edward Island, and two in Nova Scotia to provide greater safety to

all mariners within the radius of each boat, which means within 50 miles.

The release stated that the new three man lifeboats to join the Canadian coastguard would incorporate the latest technology and electronic aids to navigation and had been fitted with a complete range of life saving and rescue equipment.

When two fishermen are lost in the immediate vicinity of one of the bases, however, I must ask—and I put a question on the order paper—what action did the base in the locality take when that incident occurred? I am told that the lifeboat could not react because it could not operate except under conditions when the ice was less than a couple of inches thick. This is absolutely ridiculous, Mr. Speaker. What in the name of heaven is the purpose in having the bases and/or the lifeboats if they cannot react other than when conditions are perfect—when they are not needed.

How was the decision made to add new locations to an already concentrated area when some 300 to 400 miles of coastline in western Newfoundland were completely ignored? To my mind this shows complete inefficiency or lack of knowledge on the part of those who are supposed to know the situation.

Today I proposed a motion to focus attention on the fact that within the space of one week three fishermen were lost on the west coast of Newfoundland, two of them were lost just yesterday. Months ago I pointed out that this area would not be covered by the establishment of the four new bases. The only answer I ever received to my representations was that this would be taken into consideration in the review of national search and rescue policy and that the necessary documents for implementation are being prepared in consultation with the Department of Transport and the Department of National Defence and would be submitted to the cabinet with the policy.

In the meantime, however, we continue to lose fishermen. The latest figures indicate that the average rescue is one out of seven. No one seems to care or pay any attention to the fact that realistic representations are being made by members from Newfoundland who have sensible solutions to the problem.

The activity of the fishing season dictates that, unfortunately, more losses will occur, but it seems impossible to convince the government of the need for immediate action. The deployment of lifeboat bases must be reconsidered and action taken to cover areas not presently provided for. There must be a review of the location of new bases and a review of the capability of the present lifeboats to ensure that they can perform their mission, and that further losses can be avoided. I hope that whoever is going to answer will give me obvious, fundamental, and reasonable answers.

Mr. Lloyd Francis (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, the recommendations resulting from an MOT task force report on marine search and rescue are now being finalized. The matter has been given high priority and I hope that it will be possible for the minister to make a detailed announcement shortly.

With regard to the lifeboat bases in Nova Scotia and Newfoundland, 11 44-foot self-righting lifeboats have been in service with the Canadian coast guard since 1967, of which three are based in Newfoundland with one each in Burgeo, Twillingate, and St. Anthony. These self-righting craft were designed in the United States and adapted for use in Canada, and are now widely in use by the Royal National Lifeboat Institute in the United Kingdom.

These craft are tasked to operate as a shore based rescue craft to save life at sea and render aid to craft in distress in inshore coastal waters. They are kept either afloat, in a sheltered haven, or under cover on a slip. Their operation involves launching the boat, proceeding to the scene of an incident, probably not more than at a range of 30 to 40 miles, rescuing survivors from the sea or from another craft, some of whom may be injured, going alongside a broken down or stranded vessel, giving shelter and elementary care to injured people on board, taking in two and towing small craft, returning to base, and being hauled out. These close inshore operations can take place under most adverse weather conditions of wind and sea to be found on our coasts and in shallow water conditions of very heavy surf.

They have no secondary function and incorporate no features to interfere with the effective conduct of their primary mission for which they are eminently successful and suitable, and I would like to emphasize that the major characteristic which makes this craft so suitable operationally is the exceptional seaworthiness expected of a lifeboat. With a speed of 16 knots and an endurance of 20 hours, these craft are able to maintain way and perform their mission in extreme weather conditions, which is of overriding importance.

Manned by a crew of three men and capable of sheltering at least ten survivors, these craft are also fitted with fire-fighting equipment and towing bitts to meet emergencies at sea.

An examination of marine search and rescue incidents reported through the rescue co-ordination centres in Canada for 1974 may be of interest. Out of a total of 2,588 incidents across Canada, 122 were mercy and medical evacuation matters, 517 were in answer to distress calls, and 1,949 for other purposes such as towing.

Of the above figures, the number of incidents on the east coast in 1974 were 500, of which 28 were mercy and medical evacuation matters, 67 were in answer to distress calls, and 405 for other purposes. The number of incidents on the Newfoundland coast form part of the above, with two mercy and medical evaculation matters, 18 in response to distress calls, and 22 for other purposes.

We believe that these vessels are both successful and suitable for the task for which they are intended, that is, to aid fishermen during the fishing season.

However, Mr. Speaker, as has been mentioned before, we are not satisfied with our over-all marine search and rescue capacity in Canada, and we are hopeful that the task force recommendations will lead us quickly to a more satisfactory situation.

Adjournment Debate

EXTERNAL AFFAIRS—POSSIBILITY RATIFICATION OF NON-PROLIFERATION TREATY BEING REQUIREMENT PRIOR TO SALE OF NUCLEAR REACTORS

Mr. David MacDonald (Egmont): Mr. Speaker, on Tuesday last I raised with the Prime Minister (Mr. Trudeau) questions with respect to the sale of nuclear materials and technology to four of the major recipient countries that are presently prospective customers or former customers of ours.

I raised the whole issue of whether our government would require as a basic requirement with respect to a further or future sale of nuclear materials and technology ratification of the non-proliferation treaty. I do not think the Prime Minister fully understood the implications of the question because in his first response to me he seemed to suggest in one instance at least one had already taken place. I trust that the parliamentary secretary has since confirmed that there has been no ratification by any of the four recipient countries.

Miss Bégin: I have news for you.

● (2210)

Mr. MacDonald (Egmont): I shall be delighted to hear the news from the parliamentary secretary. The last word we had with respect to the four countries, India, Pakistan, South Korea, and Argentina, was that not one ratification had taken place. There appeared to be some preliminary signing by the government of South Korea, but I do not think this has constituted ratification. With respect to the Americans, something approaching 50 per cent of their customers have ratified the non-proliferation treaty. Certainly in this specific instance they are in much better shape than we are.

I am very much concerned, in addition, about the situation with respect to the so-called London Agreement, because of the fact that the London Agreement has never been made public, certainly not by our government. We are getting dribs and drabs of communication with respect to the situation concerning the agreement which has been reached by the seven supplier nations. I think it is terribly important that we get some idea as to the possible action which might be taken with respect to those seven supplier nations; we must know about future policies and what kind of public censure might arise. I say this particularly in view of recent reports in last week's New York *Times* with respect to the growing resentment on the part of the Common Market countries which make up Euratom with regard to the London Agreement.

As I say, we do not know the exact details of that agreement but we are concerned about changes in domestic nuclear policy in the United Kingdom. For some 20 years the government of the United Kingdom has depended for the supply of some basic nuclear materials on the United States. It has depended on that country particularly for the supply of one material, that of tritium, which is a component of H-bombs which is, in turn, derived from many ores although often associated with aluminum.

The speculation in the New York *Times* last week was that there may be some agreement between the government of the United Kingdom and the government of France with respect to the possibility of the development

[Mr. Francis.]

of some new nuclear weapons capability. Certainly the apparent action of the London club in blocking any direct information going to fellow Common Market countries has upset the remaining six. Apparently only late last week were the remaining six European countries informed of the agreement which was reached late last year by the so-called London club.

The essence, I think, of the reason for raising this question has to do with the way in which there will be effective imposition of sanctions. There is no doubt that, as a result of the London meetings, new and stiffer anti-proliferation provisions are to be applied to most nuclear sales agreements around the world. Apparently safeguards are now extended to cover the entire useful life of any nuclear fuel by-product. I believe, however, that tougher standards are still possible, since the London club agreement fell short, I believe, of including the entire nuclear program of recipient nations.

The point which I have made in previous speeches, and will make again tonight, is that the whole question of safeguards does not in any way mean that sanctions will in fact function. Or, as I said in a previous speech outside this House, detection is not prevention. I believe that although safeguard agreements may make reference to the possibility that sanctions may be applied if a nation is caught circumventing agreement provisions, there is no indication from our government as to what sanctions might be enforced, by whom they will be enforced, what the sanctions themselves would be, and what verification procedures beyond those which presently exist would be operable.

We are well aware, I think, that the International Atomic Energy Agency in no way possesses sufficient resources of manpower and operating procedures to achieve the kind of verification which seems to be implied in the London Agreement. If ever there was an instance in which the justification of secrecy was unwarranted, this has to be the clearest example of it. When we think of the immediate and long term implications of the expansion of nuclear information and technology, the great jeopardy occasioned by the growth of nuclear weapons systems, and even the peaceful expansion of nuclear capability, we think there is a definite right for the public to know. I think that both present and future generations of citizens in this world will require that these seven nations, of which Canada is one, must assume a direct and immediate responsibility to make the details of these agreements public.

I have not yet been convinced by any argument so far put forward by the Prime Minister, the Secretary of State for External Affairs (Mr. MacEachen), or the Minister of Energy, Mines and Resources (Mr. Gillespie) that there is sufficient justification to maintain the kind of secrecy which has existed with respect to the so-called London Agreement. In fact I think secrecy only weakens the capability of our government and other governments to enforce any useful or responsible sanctions. I look forward to hearing from the parliamentary secretary with respect to the questions that I put to the Prime Minister last week.

[*Translation*]

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I

am pleased to answer the questions put to the right hon. Prime Minister by the hon. member for Egmont (Mr. MacDonald) last Tuesday, May 4, all the more so because I noted three major errors in his questions and in his presentation this evening.

First of all, Mr. Speaker, Canada is not in the process of supplying nuclear reactors to Pakistan and India. The matter of pursuing nuclear co-operation further in ways other than through the sale of reactors, study launched way before a non-proliferation treaty was signed with those countries, is now still under consideration.

Here is the second error: the Republic of Korea ratified the non-proliferation treaty on April 23, 1975. Argentina, for its part, did not sign or ratify the treaty, but is aware of our views and wishes in the matter.

Mr. MacDonald (Egmont): What date?

Miss Bégin: I have just said Korea ratified the treaty on April 23—

[*English*]

I will repeat it in English if that suits my colleague opposite the better. On April 23, 1975, Korea ratified the treaty.

[*Translation*]

Signing the NPT is not a prerequisite for nuclear co-operation on a strictly commercial basis with other countries. Still, the implementation of international guarantees under the aegis of the International Atomic Energy Agency, which conform with Canada's own very strict criteria, is a prerequisite for such transactions. Argentine and the Republic of Korea accepted these safeguards. I would add, and I think it is very important that my colleague takes a note of this, that the Secretary of State for External Affairs tabled the text of the agreements with both countries in this House of January 30, 1976.

Endorsing the NPT is a prerequirement for help for bilateral nuclear development; there is a difference here, and I have already said so on the late show: from now on Canada will offer bilateral help only to those countries which adhere to the treaty. Furthermore, ratification of the treaty will be an important consideration in the financing of Canadian nuclear exports.

Before concluding my remarks, I would add, Mr. Speaker, that, contrary to what my colleague has just said, the Secretary of State for External Affairs has clearly outlined in this House, on March 23, the seven substantial points of the safeguards required on the initiative of Canada by the main supplier countries as far as nuclear co-operation and transaction are concerned; they are called London Club.

I would also add that we are deeply interested in the possibility that other suppliers could join the countries which already have held, as a result of the action taken by this country, many diplomatic talks. Those points are stated in the French official report of our proceedings, page 12064, March 23. I also think, Speaker, that it is important to note the House was regularly informed of the statements regulating our sales and our nuclear assistance and that the department is always ready to distribute additional copies. I also was pleased to discuss with several groups, among which some representatives of churches and others who came to meet the experts of the department.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m.

Motion agreed to and the House adjourned at 10.21 p.m.

HOUSE OF COMMONS

Tuesday, May 11, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

PENSIONS

SUGGESTION WIDOWS OF PUBLIC SERVANTS, ARMED FORCES AND RCMP PERSONNEL BE ENTITLED TO PENSIONS REGARDLESS OF DATE OF MARRIAGE—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave under the provisions of Standing Order 43 to present a motion which is of serious urgency to those who are adversely affected by the legislation as it now stands. I move, seconded by the hon. member for Winnipeg North (Mr. Orlikow):

That this House urges the President of the Treasury Board to introduce the necessary amendments so that widows of public servants, of Canadian Armed Forces and RCMP personnel and of others in corresponding categories, will be entitled to the pensions their husbands paid for regardless of the date of marriage, thus ending an instance of discrimination that is most unfair.

Mr. Speaker: Pursuant to Standing Order 43 such a motion can be presented only with the unanimous consent of the House.

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

BROADCASTING

ALLEGED LACK OF OBJECTIVITY OF INFORMATION CONCERNING CAPITAL PUNISHMENT—MOTION UNDER S.O. 43

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, pursuant to Standing Order 43, I ask for the unanimous consent of the House to present a motion of pressing and urgent necessity.

In view of the fact that the main television stations, particularly the CBC French network, when reporting on Bill C-84 which provides for the abolition of capital punishment depict a noose in the background instead of the scale of justice or any other neutral symbol, thereby indicating a bias in favour of the criminal who is represented as a victim of the law, I move, seconded by the hon. member for Témiscamingue (Mr. Caouette):

That the House immediately proceed to the consideration of this problem so that all information provided on the study of legislation on capital punishment be no longer biased, and misrepresentation and lack of objectivity in reporting be brought to an end.

Mr. Speaker: Order, please. The House has heard the motion by the hon. member. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There being not unanimous consent, the motion may not be put.

* * *

[*English*]

HEALTH

REQUEST FOR ACTION TO PREVENT CLOSING OF DURHAM MEMORIAL HOSPITAL—MOTION UNDER S.O. 43

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, I rise under the provisions of Standing Order 43 to raise a matter of urgent and pressing necessity and I would ask hon. members opposite to give my motion the serious consideration it deserves. It arises from the decision of a divisional court in Toronto yesterday that the Ontario government had acted illegally in its attempt to close four hospitals in Ontario, including Durham Memorial Hospital in Durham. I would move, seconded by the hon. member for Grey-Simcoe (Mr. Mitges):

That this House instructs the Minister of National Health and Welfare to use the moral and legal powers at his disposal to prevent the closing of Durham Memorial Hospital in Durham, Ontario.

Mr. Speaker: Notwithstanding the rather generous interpretation that we have been able to put upon Standing Order 43 motions because of the time limit on them and the somewhat self-policing feature in that regard, I believe that Standing Order 43 does not permit us to bring within federal jurisdiction that which lies solely within provincial jurisdiction.

* * *

MANPOWER

SUGGESTED PROVISION OF FUNDS TO MUNICIPALITIES AND FARMERS TO AID IN THE CREATION OF JOBS—MOTION UNDER S.O. 43

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, I rise to ask the unanimous consent of the House to deal with a matter of urgent and pressing necessity. In view of the fact that unemployment in this country is up again this month to 7.4 per cent, the highest level since 1961, in view of the fact that this unemployment is likely to climb even higher in the coming months as students finish their school terms and are unable to find employment, in view of the fact that

the government has already made this situation worse through the cancellation of the OFY program and in view of the fact that there are a large number of potential labour intensive activities during the summer both on farms and in many municipalities, I move, seconded by the hon. member for Cape Breton-East Richmond (Mr. Hogan):

That this House instruct the government to establish immediately a program which would provide funds to municipalities and farmers in Canada, to enable them to offer employment, at at least the level of the federal minimum wage, to people who would otherwise be unemployed.

Mr. Speaker: Pursuant to Standing Order 43 the motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1410)

INDIAN AFFAIRS

PROPOSED REMOVAL OF INCORPORATION AS PREREQUISITE TO STARTING BAND FARM—MOTION UNDER S.O. 43

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I rise to ask unanimous consent of the House to present a motion arising from an urgent and pressing matter. Economic development funds for Indian Bands in Saskatchewan to start Band farms are being held back because the department requires that the Bands incorporate themselves. Incorporation could endanger the Bands' treaty rights and places their land in jeopardy. Because planting season is already well advanced, I move, seconded by the hon. member for Winnipeg North (Mr. Orlikow):

That this House directs the Minister of Indian Affairs and Northern Development to develop alternatives to incorporation so that these Bands can proceed with their farms this season without endangering their treaty rights.

Mr. Speaker: This motion, pursuant to Standing Order 43, requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

THE CANADIAN ECONOMY

ESTIMATED LEVEL OF UNEMPLOYMENT AND OF REAL GROWTH—EFFECT OF LOWER CORPORATE TAX RATE AND FAST WRITE-OFFS ON JOB CREATION

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, with today's alarming and tragic news for those involved that some three-quarters of a million Canadians are now out of work, and as the conference board and other research agencies have predicted that we would not reach a 7.4 per cent rate of unemployment until at least the fourth quarter of this year, yet we have now reached the 7.4 per cent unemployment rate in the second rather than the fourth quarter, does the Minister of Finance believe that unemployment will continue to increase so that we might even have 8 per cent unemployment by the year end?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would not like to make an estimate at this time.

Mr. Stevens: Mr. Speaker, my supplementary is directed again to the Minister of Finance. As the conference board forecast of a 7.4 per cent unemployment rate by the fourth quarter is predicated on a 4.8 to 5 per cent increase in real growth in this country, and, as the minister himself has indicated, he hoped for a 5 per cent real growth, and with the unemployment rate at 7.4 per cent, does the minister believe that this is a valid indication that the real growth will be well below 5 per cent this year and, if so, what would he predict to be the real growth in the current year?

Mr. Macdonald (Rosedale): Mr. Speaker, it seems to me that a more sensitive analysis of the economic situation, both as to the unemployment rate and inflation, should be reserved for the budget statement in two weeks' time.

Mr. Stevens: Mr. Speaker, as one of the most dramatic facts in today's sad unemployment figures is the large decrease in employment itself as opposed to the usual increase in the labour force, and in view of the fact that employment in the manufacturing industries has fallen off so badly there are only about 20,000 more jobs in that sector than there were on average in 1972, will the minister consider reconstituting the corporate tax measures review committee to ascertain whether the lower tax rate and faster write-off tax provisions of the minister's predecessor have had any permanent effect in creating jobs?

Mr. Macdonald (Rosedale): Mr. Speaker, it again seems to me that reflections on the fiscal system are not appropriate at this time.

EFFECT OF ANTI-INFLATION PROGRAM ON PROSPECTS FOR RECOVERY—EFFECT OF POOR BUSINESS PERFORMANCE ON JOB CREATION

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to go another round with the minister who seems to be at a loss for words regarding this very serious matter. I would advise the minister that corporate profits for the first quarter of the year appear to have dropped off sharply compared to last year. Is the minister in a position to say whether the anti-inflation program has dampened the prospects for an economic recovery? I ask him this question particularly when I understand he is going to tighten them up.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, it is certainly true that corporate profits have been controlled by the anti-inflation program as, indeed, other areas of the community have been. I would think, however, that given the favourable response to restraints by leaders in the corporate sector this has not had the effect to which the hon. gentleman refers.

Mr. Alexander: Mr. Speaker, at least the minister is attempting to be honest at this particular time. Considering that the profitability of corporations is one of the main incentives for business to provide jobs, can the minister tell the House whether he anticipates the decline in corporate profits will continue and what effect continued poor business performance will have upon job creation this year?

Mr. Macdonald (Rosedale): Mr. Speaker, perhaps I could remind the hon. gentleman that corporate profits, just like individual earnings of workers, are of course restrained under the anti-inflation program.

Mr. Alexander: Well, Mr. Speaker, I want to let the minister know that the United States rate of productivity and growth is excellent compared to ours which certainly is disastrous. Since the declining profit performance of our corporations is in sharp contrast to the healthy situation in the United States, would the minister explain the reasoning behind this very serious situation, bearing in mind that without a healthy profit situation our recovery is in jeopardy.

Mr. Macdonald (Rosedale): Mr. Speaker, the healthy situation in the United States to which the hon. member refers is a 7.5 per cent rate of unemployment.

POSSIBILITY OF PROVISION FOR FULL EMPLOYMENT IN BUDGET

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, I should like to direct my question to the Minister of Finance as well. It is in regard to the unemployment figures released today. They are the highest since 1961. I should like to ask the minister if he can indicate to the House whether it is his intention in the budget—without asking for the details of the budget because I realize we are a few weeks from budget time but I believe this is terribly important in light of the shocking unemployment figures—to introduce a full employment budget?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would intend to introduce a budget which would attempt to strike a balance between our rate of inflation and the rate of unemployment in Canada.

Mr. Saltsman: Mr. Speaker, since the minister has analyzed the economic situation in Canada as a cost-push situation, and under the circumstances the only justification if there is a justification for wage and price controls is that there is a cost-push situation, it seems to me the minister is now in a position to stimulate the economy very effectively by bringing in a full employment measure without worrying about inflation which he says is under control by the Anti-Inflation Board. I should like to ask the minister, in light of his own analysis, whether he is prepared to bring in a full employment budget?

Mr. Macdonald (Rosedale): Mr. Speaker, I think I would emphasize the fact that, while the anti-inflation program has had some response to this point, it is and has been our intention that the impact should be gradual and that we should support and use appropriate fiscal and monetary policies. The government's views on what would be an appropriate fiscal policy will be indicated at budget time in two weeks.

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MANPOWER

GOVERNMENT ACTION TO FIND EMPLOYMENT FOR STUDENTS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a supplementary to the Minister of Manpower and Immigration. In light of the figures released today showing a 7.4 per cent unemployment rate and in view of the fact that in the next month not only university students but also high school students will be finishing their school year and will be looking for jobs, several hundred thousand of them, I should like to ask the minister whether his department is working on any plans to find employment for more than the 12,000 students who will be given jobs under the plans announced by the minister up until now.

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, there are very elaborate efforts underway, and have been for some time in working with the private sector to stimulate the placement of students and young workers. There are no additional budgetary commitments decided upon in terms of programs like the Opportunities for Youth program at this time.

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[*Translation*]

CONSUMER AFFAIRS

INCREASE IN SUGAR PRICES—REQUEST FOR INQUIRY

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wish to ask a question of the Minister of Consumer and Corporate Affairs.

Can the minister tell the House whether an inquiry was conducted lately to determine if the sugar price increase announced a while ago by the refineries is justified, if not does he intend to order such an inquiry and, if necessary, not only sue but condemn the refineries concerned, which are getting as greedy as the oil companies?

● (1420)

[*English*]

Hon. Bryce Mackasey (Minister of Consumer and Corporate Affairs): Mr. Speaker, investigations are conducted by a quasi judicial board, and it is not the practice for a minister to reveal what investigations are taking place unless it is made public knowledge by some third party.

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LABOUR CONDITIONS

PERSON RESPONSIBLE FOR INDUCING LABOUR TO RETURN TO LABOUR RELATIONS AND ECONOMIC COUNCILS—DATE OF RETURN

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I have a question for the Minister of Labour. In view of the

fact that it has been some weeks now since the CLC withdrew from the Canada Labour Relations Council and the Economic Council of Canada, can the minister tell the House who in the cabinet is charged with the responsibility of seeking ways and means to bring labour representation back to these two important organizations?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, certainly it is part of my responsibilities and of those of some other ministers to try to deal with labour in as constructive a way as possible to make it easier for them, when they think the time is right, to re-enter these bodies where they have a real role to play in terms of their own success and in terms of the benefit to the labour movement in general.

Mr. Fraser: Mr. Speaker, on May 4 the Minister of Labour said that labour's withdrawal from the Canada Labour Relations Council is, he hopes, only temporary. Labour withdrew in opposition to controls, and they will not end for another two and one half years. In view of this, has the minister any real grounds for advising that labour's withdrawal is only temporary or are we in fact looking to labour's refusal to participate until the control program is ended? What is the real truth of the matter?

Mr. Munro (Hamilton East): Mr. Speaker, it is very difficult to try to analyse what is going through the thought processes of each individual labour leader in the country with respect to what the hon. member has asked. All I can say is that I think it should be underlined that labour has withdrawn from these bodies; they have not resigned nor have they quit. It should be pointed out that their withdrawal paves the way for their participation later when they think the time might be appropriate. As to when is the appropriate time, I am afraid that is a question they will decide themselves, and certainly the CLC convention coming up next week will have a part to play in that.

MEETINGS WITH LABOUR OR PROPOSALS FOR RETURN TO PARTICIPATION IN GOVERNMENT BODIES

Mr. John A. Fraser (Vancouver South): Can the minister tell the House whether he or other members of the cabinet have actually met with CLC, and especially whether the government has put any proposals to the CLC as a basis for their return to participation, or is there an absolute deadlock at the moment? Let us find out what the situation really is.

Hon. John C. Munro (Minister of Labour): I have talked to some of the leaders of the CLC. In terms of my other colleagues' responsibilities as they involve the labour movement, I believe they have been discussing those questions with the CLC. Certainly at the CLC's last presentation to the cabinet, as the hon. member may recall, they indicated they would welcome discussions on other subject matters having to do with policies which may evolve once the control period is over. They indicated a willingness to meet with the Prime Minister and others at that time. I believe discussions are going on now with respect to having meetings over a wide range of subject matters being undertaken fairly shortly.

[Mr. Fraser.]

EXTERNAL AFFAIRS

CANADIAN RESPONSE TO UNITED STATES PROPOSAL TO MINE NICKEL FROM SEABED—DISCUSSIONS WITH UNITED STATES

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Secretary of State for External Affairs, and at the same time I welcome him back to the House from his many travels. On Friday, April 30, I addressed a question to the Right Hon. Prime Minister about the Canadian attitude to United States proposals for mining the deep seabed, and the Prime Minister replied that he would inquire. Since then, the Law of the Sea Conference has issued a revised single negotiating text which includes a production control formula for nickel found on the international seabed. This formula will permit production of seabed nickel to increase by a minimum of 6 per cent per year. Since Canada is a major land-based producer of nickel, this formula is obviously of very great concern to us, and I should like to ask the Secretary of State for External affairs what the Canadian response was to this particular proposal.

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, we opposed this particular proposal which was suggested for the text of the Law of the Sea convention. We made our concerns known to the United States delegation to the Law of the Sea Conference at New York. During my visit to Nairobi I had an opportunity to make representations directly to Dr. Kissinger with respect to this proposal and its possible effects on Canadian land-based production. We agreed that further consultations should take place between the two countries with respect to this proposal.

Mr. Crouse: In his speech to the Law of the Sea Conference on April 8 Dr. Kissinger said that if the deep seabeds are not subject to international agreement, the United States can and will proceed to explore and mine on its own, but he added that the U.S. would prefer partial international control through a council which should reflect the interests of producer and consuming states most concerned with deep sea mining. Canada is clearly one of these, and I therefore ask the Secretary of State for External Affairs whether Canada has been having bilateral discussions with the U.S. on the subject of the use of the international seabed, and if so, what has been the substance of these discussions?

Mr. MacEachen: This particular proposal emerged quite late in the day in New York, and to my recollection Canada was not involved in any discussions with respect to this formula until it surfaced within the text itself. At that point we registered our opposition to the particular formulation, and we will continue to register our opposition and hopefully make proposals which will serve Canada's interests better. I do not believe it is the intention of the United States to overcome its problems by creating problems for Canada.

URBAN AFFAIRS

EFFECT ON HABITAT CONFERENCE OF THREATENED STRIKE BY TELEVISION EMPLOYEES

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is to the Minister of State for Urban Affairs. In view of the crippling effect the threatened walk-out of NABET employees could have on both the on-site exhibits and the worldwide transmission of the proceedings of Habitat, could the minister inform the House what prior indication he had that such a walkout would take place, and what contingency plans have been made to deal with such an eventuality?

Hon. Barney Danson (Minister of State for Urban Affairs): Mr. Speaker, it is not as catastrophic a situation as indicated. So far as the internal official arrangements for the conference are concerned, they are well in hand. It would be a sad affair if the television transmission of this very important conference were lost in Canada and in all the world, and it would not be in the best interests of Canadians or the people of the world, who would benefit from this conference. There are contingency plans. I presume if an agreement is not reached before the conference, the position of the host broadcaster would be jeopardized, which would, in my view, be a tragedy.

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CANADIAN BROADCASTING CORPORATION

EFFECT OF DISPUTE WITH EMPLOYEES ON TELEVISING HABITAT CONFERENCE AND OLYMPIC GAMES

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, I should like to address my supplementary question to the Secretary of State. Can the minister tell the House how a dispute between NABET and the CBC involving a 2 per cent wage rollback by the Anti-Inflation Board was allowed to mushroom into a situation which places in jeopardy—regardless of what the Minister of State for Urban Affairs says—Canada's reputation as a host for major international events, particularly in the light of statements made by NABET employees and leaders implying that the proposed Habitat walkout may be followed by one prior to the Olympics and other major events?

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, I would have to get a report on that from the corporation. Perhaps the Minister of Labour has something he might like to add.

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INDIAN AFFAIRS

GOVERNMENT POSITION ON NATIVE RIGHTS

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I should like to ask the Prime Minister a question regarding the government's recognition in principle of native rights and aboriginal title for native people in Canada. I should like to ask if the Prime Minister is prepared today to advise the House whether the government is in any way responding to the many submissions made since 1973 to the cabinet by the Metis and non-status Indians in regard to their very special rights in our society?

● (1430)

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, there have been several meetings with various native leaders and the cabinet which has given consideration to their requests.

Mr. Oberle: A supplementary question. May I ask the Prime Minister if he would identify the very special situation that the forgotten people of Metis and non-status Indians are facing, particularly is there any discussion or dialogue with these people in areas where we are now researching and considering native claims, namely the territories of our country?

Mr. Trudeau: Mr. Speaker, that is one aspect of their requests and the federal government has agreed to give it consideration. The hon. member realizes, of course, that the federal government's first preoccupation was with the status Indians, those who do come under the administrative authority of the federal government. The others, the Metis, are provincial citizens. Like every other provincial citizen we hope the provincial governments will not consider them to be forgotten citizens, to use the expression of the hon. member.

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EXPORT DEVELOPMENT CORPORATION

REQUEST FOR REPORT ON REVIEW OF CLAUSE BOYCOTTING TRADE WITH ISRAEL

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Prime Minister. On May 8, 1975, speaking about the Arab boycott the Prime Minister said in the House, as reported at page 5583 of *Hansard:*

> ... that this type of practice is alien to everything the government stands for and, indeed, to what in general Canadian ethics stand for, ...

However, the then minister of industry, trade and commerce told the House on June 2, 1975, as reported at page 6326 of *Hansard:*

> ... the government as a whole will be considering this matter in the very near future. The view of the government will be communicated, of course, to all departments and to the Crown corporation.

A year has gone by since the Prime Minister's words, but no government decision on this matter has as yet been announced. I am asking if the Prime Minister can inform the House what he can do to ensure that his words of May 8, 1975 will be confirmed by cabinet as the current official government policy and will therefore be firmly applied and followed by all government departments and agencies without further delay?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I appreciate the hon. member's concern on this very important matter.

Mr. Alexander: He wants action.

Mr. Trudeau: I will inquire to ascertain the status of any progress in that particular case.

Oral Questions

EXTERNAL AFFAIRS

MINING NICKEL FROM THE SEABED—INVOLVEMENT OF WORKERS IN DEVELOPING STRATEGY FOR NEGOTIATIONS—POSITION TAKEN BY INCO

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, my question is for the Secretary of State for External Affairs. In view of the grave concern felt among residents of predominently nickel producing areas such as the Sudbury basin concerning the possible effects of the development of undersea nickel, can the minister inform the House and assure the people of these areas that the workers' representatives will be involved in the development of any strategy or negotiations between Canada, the United States and other nickel producing countries?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I think it is important to point out that this proposal, which surfaced at the Law of the Sea Conference, has not even been discussed in the committee responsible for the international seabed authority, let alone negotiated. As I stated earlier, Canada finds this proposal quite unacceptable. The Law of the Sea delegation has authority to involve industry and union representatives in discussions, particularly with respect to the fisheries and I am sure this particular approach could be followed in consideration of mineral production.

Mr. Rodriguez: A supplementary question, Mr. Speaker. I certainly hope that the minister will invite representatives of the miners to participate. In view of the fact that the International Nickel Company is Canada's major producer of nickel, in view of the importance of nickel to Canada's economy and in view of the reports that International Nickel Company is involved in the consortium which will be taking the nickel from the floor of the ocean, has the minister been able to determine whether INCO, and particularly its Canadian subsidiary, has been supporting the United States proposal? Can he inform the House whether INCO will support this government's position rather than what is in the best interests of International Nickel?

Mr. MacEachen: Mr. Speaker, I cannot confirm either point of the hon. member's question but I shall make inquiries.

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GEOGRAPHICAL SITES

POSSIBILITY NAME OF MOUNT EISENHOWER WILL BE CHANGED TO ORIGINAL NAME OF CASTLE MOUNTAIN—GOVERNMENT POSITION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources on a matter of national importance with particular relationship to our friendship with the United States. In 1946 the Right Honourable Mackenzie King designated Castle Mountain in British Columbia as Mount Eisenhower in appreciation of the tremendous services rendered by General Dwight Eisenhower during the days of the war as Supreme Commander. In the last couple of weeks it has been stated in the press that the name is to be changed, that name Eisenhower is to be removed and Castle take its place again. May I ask the minister what the position is in this regard because I feel that this change of name cannot but have a detrimental effect on the feelings of our veterans in Canada who honoured Eisenhower as he honoured them and Canada?

Some hon. Members: Hear, hear!

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I believe the name of Mount Eisenhower has the support of the vast majority of the Canadian people. Many Canadians served with great distinction and many members of this House served with great distinction under the leadership of the Supreme Allied Commander. I have been made aware that from time to time residents close to the scene have requested that the mountain revert to its former name. I, for one, think it would be a great pity if General Eisenhower's name were dissociated from that particular mountain. I can assure the right hon. member that no decision has been taken to re-name the mountain Castle Mountain.

Mr. Diefenbaker: Mr. Speaker, I appreciate the answer given by a very distinguished soldier of the last war who served under General Eisenhower. I bring to his attention, however, that the board in charge of naming geographic sites in Canada has announced that the change has been made and will be effective in a very short time with the approval of the government of Canada. May I have the minister's assurance that no matter what that board recommends, this name will not be changed because that could only result in bitter feelings among those who served, as he did, as well as to Americans in general on the occasion of their bicentennial?

Mr. Gillespie: Mr. Speaker, I can assure the right hon. gentleman that the matter has not come to cabinet and has not received the approval of the government of Canada.

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NATIONAL SECURITY

POSSIBILITY OF DISCUSSION BETWEEN GENERAL DARE, COLONEL BOURNE AND PRIME MINISTER CONCERNING INVESTIGATION OF LEAKED LETTER

Mr. Erik Nielsen (Yukon): Mr. Speaker, my question is for the Prime Minister. I should like to ask whether he had any discussion with General Dare or Colonel Bourne last Wednesday or Thursday or both of them during which the matter of the Dare-Bourne leaked letter was discussed? If so, did either General Dare or Colonel Bourne or any RCMP officer or official inform the Prime Minister of any action intended to be taken to determine the explanation of how the letter was leaked?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, I had no such meeting with any or either or both of those gentlemen. The headline to the effect that I was summoning General Dare were completely erroneous, in fact without any foundation. I have not spoken to General Dare in, I would say, months.

POSSIBILITY OF DISCUSSION BETWEEN PRIME MINISTER AND GENERAL DARE CONCERNING PARTI QUÉBÉCOIS

Mr. Erik Nielsen (Yukon): A supplementary question, Mr. Speaker. I would then ask the Prime Minister, in view of the appearance of this sentence in the leaked letter from General Dare:

When I discussed the criteria used to investigate the Parti Québécois and its members with the Prime Minister, he stated that the security service of the RCMP does not have a mandate . . .

In view of the fact that the Prime Minister is endeavouring to leave the impression that General Dare is mistaken with respect to a cabinet decision, can the Prime Minister say whether he had such a discussion with General Dare and whether he stated that the RCMP had no mandate to do the thing the general said in his letter the Prime Minister said?

● (1440)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I read the answer which the Solicitor General gave to this, and it was substantially correct, in that the discussion to which, presumably, General Dare is alluding is a discussion in a cabinet committee which resulted in the cabinet decision. It is that decision, I imagine, to which General Dare is referring to when he talks of a guideline to directions. I repeat, it is an honest error on his part. It is certainly one of the incorrect statements in that letter.

CONSIDERATION OF FITNESS OF GENERAL DARE TO REMAIN IN OFFICE

Mr. Erik Nielsen (Yukon): A supplementary question, Mr. Speaker. Since General Dare appears to be quite specific in referring to a discussion which he, General Dare, had with the Prime Minister, and, indeed, goes on in that sentence to tell Colonel Bourne what the Prime Minister said, in view of the high position which General Dare holds as head of the security services of this country, he, obviously, being a very meticulous policeman, has the Prime Minister, or cabinet, given any consideration to his fitness to remain in office, in view of the statement he has made concerning the Prime Minister?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, certainly, the cabinet has given no such consideration, nor have I, myself. Mr. Speaker, if the hon. member is making a serious suggestion, I will consider the matter. I have given my reaction in this House. I think General Dare is a very distinguished officer. I worked with him when he was in DND, and since he has been in the security services. I have always found him extremely competent. I can only explain this as an honest mistake. It is certainly not a deliberate attempt to mislead Mr. Bourne.

An hon. Member: Was it not an attempt to discredit?

Mr. Trudeau: The mistake probably arises from the fact that as a member of that cabinet committee, I did of course participate. I do not mind admitting I was one of those who would argue that a democratic political party should not be under systematic surveillance by the RCMP.

Some hon. Members: Hear, hear!

Mr. Trudeau: My opinion on that, which was expressed in cabinet, is certainly protected by the usages concerning cabinet secrecy, but I do not mind repeating it here. It is my view and the view of the government that if the party is legal, it should not be under surveillance systematically by the Royal Canadian Mounted Police or any other police. I hope that is the view of the other side of the House.

Some hon. Members: Hear, hear!

Mr. Trudeau: What was incorrect, Mr. Speaker, was the inference drawn by General Dare from that decision in the paragraph which begins, "Consequently we believe," or whatever else the paragraph said. This inference, that because the party is not under surveillance the government does not want to have security clearances on everyone who occupies a sensitive position in the federal government, is wrong. It is erroneous. It is one of the mistakes I pointed out in the letter. I attenuate that, and see the attenuation of that mistake in the fact that General Dare himself in that very phraseology indicated that this whole matter should be referred to a cabinet committee for further elucidation, which indicates to my mind that he had some doubts about the conclusions he was drawing. As I explained to the House and to the press, if this unfortunate leak had not taken place, the matter would have been straightened in the normal manner and General Dare would have drawn the right conclusions.

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FINANCE

ALLEGATION FEDERAL GOVERNMENT WOULD OVERLOOK RATE INCREASES OF B.C. INSURANCE CORPORATION IN RETURN FOR AGREEMENT ON ANTI-INFLATION PROGRAM

Mr. Hugh A. Anderson (Comox-Alberni): Mr. Speaker, my question is directed to the Minister of Finance. In a recent column in the Vancouver *Sun*, Alan Fotheringham stated as a fact that the province of British Columbia and the federal government had entered into a verbal deal whereby the federal government would overlook the Insurance Corporation of British Columbia's rate increases if the provincial government would enter the anti-inflation program. Since this agreement supposedly was entered into in the Minister of Finance's office on December 23, 1975 with the collusion of B.C. labour minister Alan Williams and B.C. finance minister Evan Wolfe, would the minister confirm or deny that any such verbal agreement was made and can he give the House any details of this meeting?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would say that the report by Mr. Fotheringham is erroneous. There was no such agreement, in those terms. On the occasion of that particular meeting, which was very shortly after the Bennett government had taken responsibility in British Columbia, I met with the B.C. ministers and described to them the tenor of discussions which had taken place in the federal-provincial meetings and, particularly, the insistence of provincial governments that their price setting responsibilities and taxation measures should not be subject to the jurisdiction of the Anti-Inflation Board. This was the position of the provinces general-

ly. I made it clear that this was the basis on which negotiations had been carried on with several provinces. I think it was clearly understood on both sides that the meeting was for information purposes only. There were no agreements arrived at that day. Indeed, only recently has there been full acceptance by British Columbia of the program.

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URBAN AFFAIRS

ALLEGED REPORT INDICATING EXCESSIVE COST OF CARLSBAD SPRINGS SITE—GOVERNMENT POSITION

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, my question is for the Minister of State for Urban Affairs. Is the minister aware of reports to the effect that there exists an engineering study undertaken by J. L. Richards and Associates of Ottawa which indicates that the development of the satellite city at Carlsbad Springs in the national capital area would cost as much as $300 million more than a normal site? Has the minister seen this report?

Hon. Barney Danson (Minister of State for Urban Affairs): Mr. Speaker, I am not familiar with that particular report. I have seen several engineering reports submitted by distinguished and experienced experts in the field indicating that there is some additional cost for servicing that land. Considering the initial cost of the land, its strategic value and value for development, these costs are quite acceptable and the net cost of developing that land is less than it otherwise would be.

Mr. Baker (Grenville-Carleton): A supplementary question, Mr. Speaker. I ask the minister to examine the report. If that report is correct, does he feel that an extra $300 million is acceptable to the government for the development of housing programs intended for that property? Will he undertake to use his best efforts to secure a copy of that report and consult with provincial authorities, particularly in view of reports saying that the Carlsbad Springs development is such that in terms of pollution in the national capital area and beyond it poses a greater prospect of difficulty than the development in the south Rideau site?

Mr. Danson: Mr. Speaker, I have examined, as have my officials, any evidence which would indicate any change or anything different from what was known previously. I have had no indication that what the hon. member suggests is the case. Naturally, as the hon. gentlemen had drawn the matter to my attention, I shall look into it.

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[Translation]

HEALTH

REQUEST FOR ASSURANCE OF ADEQUATE SUPPLY OF SWINE FLU VACCINE

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I wish to direct my question to the Minister of National Health and Welfare.

During the important statements made some time ago about the Canadian government's intentions regarding the threat of a swine flu epidemic this fall or next winter, the minister indicated that he was awaiting an early answer from American authorities as to the quantity of vaccines the United States will be able to provide Canada and the time necessary to get them. Can the minister now tell the House whether he received that answer and at the same time whether there are any new developments either about these talks with the United States or about the current progression of the disease?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I am still waiting patiently for an answer from the American government. Still I can tell the hon. member that we managed to get confirmation about sizeable orders of vaccines from countries other than the United States, especially Australia and Great Britain, and the exact quantity of vaccines will be made public today or tomorrow. But we also continue our consultations with the United States and other countries.

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[English]

ANTI-INFLATION PROGRAM

POSSIBILITY OF EARLY END TO PROGRAM—GOVERNMENT POSITION

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, my question is for the Prime Minister. In view of Premier Schreyer's assertion during the weekend that, in his opinion, the anti-inflation program will probably be lifted next year owing to the non-acceptance of controls by the public, did the Prime Minister in his recent meeting with provincial premiers discuss the possibility of lifting the controls program; and, if so, in those discussions was a date considered?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, no. On the contrary, I indicated that the anti-inflation program was a matter of law; the law was for three years and that was still our intention.

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● (1450)

FINANCE

ALLEGED LOSS OF GOLD RESERVES—REQUEST FOR REPORT

Mr. Stan Schumacher (Palliser): Mr. Speaker, my question is for the Minister of Finance. It arises out of recent news that Canada lost over $20 million worth of gold reserves in the latest reported period. Was this as a result of a change in government policy? Will the minister advise why this reduction occurred and where the reserves went?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I will have to make inquiries and report to the hon. member.

AGRICULTURE

PROPOSAL THAT EGG MARKETING AGENCY BE SOLE IMPORTER—MINISTER'S POSITION

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, I have a question for the Minister of Agriculture. In light of reports that the National Food Products Marketing Council has recommended that CEMA be appointed first receiver of imported eggs, does this mean that agency will replace those in the private sector as the sole importer of eggs? Can the minister advise whether he supports that recommendation of the Council? If so, has he urged its acceptance upon his cabinet colleagues?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I have already made my feelings public. I am sure the hon. member is aware of them. I do support it and I have recommended to my cabinet colleagues that they study it. They are doing this at the present time. No decision has yet been made.

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CONSUMER AFFAIRS

PROPOSAL THAT EGG MARKETING AGENCY BE SOLE IMPORTER—MINISTER'S POSITION

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, I will direct my supplementary question to the Minister of Consumer and Corporate Affairs. Has the minister had an opportunity to review the recommendation of the National Food Products Marketing Council? Is he now in accord with the recommendation that CEMA be designated first receiver and thus become the sole importer of eggs into Canada?

Hon. Bryce Mackasey (Minister of Consumer and Corporate Affairs): Mr. Speaker, I have never been in favour of CEMA being first receiver of eggs into Canada, thus creating a monopoly situation of which I do not approve. Nothing in the Council's argument has changed my opinion.

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NORTHERN AFFAIRS

ALLEGED STATEMENTS OF MR. SEARLE CONCERNING SOCIAL SECURITY AND JUSTICE BERGER—MINISTER'S POSITION

Mr. Doug Neil (Moose Jaw): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development. In light of remarks by Mr. David Searle last week to the effect that federal social security programs should be cut in the north, will the minister tell the House whether this prominent Liberal spokesman was speaking on behalf of the government?

Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development): Mr. Speaker, as hon. members know, Mr. Searle is the Speaker and a member of the Northwest Territories Council. He was speaking in his own right as an elected representative, not for the federal government.

Mr. Neil: Does the minister approve of the statements of David Searle concerning the ethics of Mr. Justice Berger, a federal government appointee?

Mr. Buchanan: No, Mr. Speaker. I look forward to receiving the report of Mr. Justice Berger.

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EXTERNAL AFFAIRS

REQUEST GOVERNMENT URGE POLAND TO ALLOW REUNIFICATION OF FAMILIES IN CANADA

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I wish to direct my question to the Secretary of State for External Affairs. In view of the fact that Canada strongly supported the agreement on the reunification of families signed in Helsinki last year or the year before, will he now avail himself of the opportunity during the forthcoming visit of the Minister of External Affairs from Poland to urge that country to liberalize or relax its regulations and restrictions with regard to the reunification of Polish citizens and their families in Canada?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I certainly intend to take advantage of the presence of the Polish foreign minister in Ottawa later this week to discuss the question of family reunification, as I did on the occasion of my visit to Poland some months ago. I should say to my hon. friend that since that discussion, there has been some improvement and some action on a number of such cases. I hope the discussion this week will serve as a further impetus to additional solutions.

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IMMIGRATION

SUGGESTION CANADA AID THE RESETTLEMENT OF EARTHQUAKE VICTIMS IN ITALY

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, my question is for the Minister of Manpower and Immigration. Have instructions gone out to immigration officials in Milan to facilitate the handling of cases with regard to family reunification and other cases on humanitarian and compassionate grounds concerning the victims of the earthquake in Italy?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, we have been in telephone conversation with our representative in Milan. He reports that at the moment there is no significant increase in the number of applications. In any event, we have asked him to go from Milan to visit the stricken area and give us a further report. In the meantime, our instructions are that all applications by residents of Northern Italy will be processed with very high priority. We are identifying whether such applicants have a sponsor or relatives in Canada who can sponsor or nominate them. That information will be communicated to the relevant immigration office in Canada so that we can look up the relatives and

interview them in order that we can expedite the applicant's submission.

* * *

NATIONAL SECURITY

BASIS ON WHICH WARRANT ISSUED TO SEARCH OFFICES OF TORONTO "SUN"

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a question for the Solicitor General. It is the same question I put to the Minister of Justice yesterday. However, he was not able to answer at that time. It relates to the case of the RCMP search of the Toronto *Sun* offices. Can the minister now advise whether the warrant was issued on the basis of information under section 11(1) of the Official Secrets Act or on subsection (2) on the order of an officer of the RCMP who considered that a grave emergency existed and in the interest of safety that the state take immediate action?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the warrant was not issued under section 11(2) which deals with emergencies. It was issued under section 11(1) by Justice of the Peace Gabor Papy in Toronto.

Mr. Brewin: As the information would have to be based upon a sworn statement with regard to the matter, can the minister either table or give us now the information as to what was sworn, and who made the oath?

Mr. Allmand: Mr. Speaker, the warrant was issued to Corporal Colter of the Criminal Investigation Branch of the RCMP on the basis of alleged illegal acts under section 4(1)(A) of the Official Secrets Act which makes it an offence for anyone to communicate in any way the contents of a classified document to an unauthorized person.

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AGRICULTURE

REQUEST FOR TABLING OF REPORT OF INQUIRY INTO BEEF INDUSTRY—POSSIBLE RECOMMENDATION OF MORE GOVERNMENT REGULATION

Mr. Jack Murta (Lisgar): Mr. Speaker, I wish to direct my question to the Prime Minister. It is a follow up on my request yesterday, under Standing Order 43, to ask the government if the report of the special beef inquiry which the Prime Minister called for some time ago, and which I believe was given to him on April 27, would be tabled in the House so that we may all see it. Is the Prime Minister now in a position to table the report so that the Canadian public, in particular the producers in Canada, can see specifically what the beef inquiry report has to say?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I did receive this report a couple of weeks ago. I will discuss with the Minister of Agriculture our future plans in this regard.

Mr. Murta: Mr. Speaker, I will direct my supplementary to the Minister of Agriculture who surely must have had time to read the report and talk to his officials, who also would have read the report. Does the report give any indication as to greater government involvement of regulation in the beef industry in Canada?

[Mr. Andras.]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the hon. member will have to be patient. I hope next week to study the report and discuss it with my assistant deputy minister who is in charge of it. He is now attending a preliminary meeting in Rome with the World Council on Food.

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FINANCE

SUGGESTED REMOVAL OF TEN CENT TAX ON GASOLINE—EFFECT OF TAX ON INFLATION

Mr. Gordon Towers (Red Deer): Mr. Speaker, I have a question for the Minister of Finance. In view of the fact that the 10 cents per gallon gasoline tax is a mean tax and the recent first ministers' conference as well as the statement of the Minister of Industry, Trade and Commerce have brought to a head the fact that there will be an increase in the well head price of oil, resulting in a substantial rise in the price of gasoline, will the minister consider now removing or reducing that tax?

● (1500)

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would remind the hon. gentleman that this tax is used to fund the subsidy that is paid in those parts of Canada which are not using oil from Canadian sources.

Mr. Towers: A supplementary question, Mr. Speaker. Does the Minister of Finance consider the 10 cents a gallon gasoline tax has a multiplying detrimental effect on the Canadian economy and adds to inflation, and that as the price rises on the Canadian market the subsidy will become less?

Mr. Macdonald (Rosedale): Mr. Speaker, in view of the fact that the proceeds from the tax are used to keep down the price of oil in significant parts of Canada, I would not regard it as detrimental.

ROUTINE PROCEEDINGS

[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT

TABLING OF REPORTS OF ELECTORAL BOUNDARIES COMMISSIONS

Mr. Speaker: It is my duty, pursuant to sections 19 and 21 of the Electoral Boundaries Readjustment Act, chapter E-2, Revised Statutes of Canada, 1970, to lay upon the table of the House certified copies of the reports of the Electoral Boundaries Commissions received this day from the Representation Commissioner as follows: Alberta and amendments thereto, British Columbia and amendments thereto, Northwest Territories and amendments thereto,

Nova Scotia, without amendment, and Quebec and amendments thereto.

Mr. Beatty: Mr. Speaker, I hesitate to rise on a point of order because, as Your Honour knows, I have never raised a point of order before in respect to a decision made by Your Honour. However, in this instance I believe it is appropriate. I should like to seek clarification of the decision Your Honour made earlier with respect to the motion that I attempted to move under Standing Order 43, and to bring to Your Honour's attention some of my concerns about the implications of such a decision. I recognize that it would be inappropriate for me to challenge the decision that you made; I am merely seeking clarification of it.

Mr. Speaker: Order, please. I wonder whether I might be permitted to hear the point of order that is being raised by the hon. member for Wellington-Grey-Dufferin-Waterloo.

Mr. Beatty: In your ruling, Your Honour indicated that the federal government did not have jurisdiction with respect to the issue of hospital closings in Ontario. The effect of your decision prevented one of the members of the House, myself, from attempting to get the government to take effective action through the powers it has both legally and morally to try to prevent the closure of hospitals in Ontario.

The reason I raised the motion was necessitated by the decision given yesterday by a court in Ontario which held that the decision of the provincial government to close a number of hospitals, including one in my constituency, was illegal. At this point the Ontario government has indicated that it is reconsidering the decision that it made and an announcement will be made by the minister or acting minister, probably tomorrow. What I was attempting to do in my motion was to have the House require the government to take action, through whatever powers it possesses, to mitigate against the closure of the hospital.

As Your Honour may or may not know, the federal government pays about one-half the cost of hospital services in Ontario. About two weeks ago Your Honour allowed me to move a motion under Standing Order 43—the terms of which were very similar—with respect to a legal agreement to which both the federal and provincial governments were party. I refer to the memorandum of agreement that was signed in 1957 and which constitutes a contract between the federal and provincial authorities. That agreement outlines the terms under which federal assistance is given to the province for the provision of medical services and it specifically mentions provision of services by the hospital in Durham, Ontario.

One of the provisions in that memorandum of agreement was that neither party could change the terms of the agreement without the agreement of the second party. In other words, the provincial government could not discontinue provision of services that it had agreed to provide in the agreement without the consent of the federal authority, specifically the Minister of National Health and Welfare.

The point that I was trying to make in my motion, Mr. Speaker, was that there is a direct federal involvement here, both financially and legally. My motion was designed to get the government to act directly on the legal powers it has to prevent the closure of that hospital. By making the ruling you did, Your Honour prevented the House from instructing the government to take whatever action it could to keep the hospital open. It would allow the federal minister to claim that he has no responsibility in this matter when clearly, if the federal government refuses to use what moral and legal authority it has to keep the hospital open, it is complicit in the decision that has been made to close the hospital. This is a matter of extreme urgency since the health and lives of the residents of the area will be placed in jeopardy as a consequence.

Mr. Speaker: The hon. member raises a point of great interest and importance. Nevertheless, it has been repeated here several times over the past few weeks, in various question periods and in other ways when attempts have been made to raise this subject, that the question of the decision to close hospitals in the province of Ontario is solely within the authoritative jurisdiction of the province.

The hon. member has raised a point of disagreement. The Chair has to take the view that, regardless of the liberties enjoyed under Standing Order 43, that order is certainly not wide enough to permit us to put before the House, even with unanimous consent, the suggestion that the House can debate a matter that is beyond its jurisdiction.

I have taken the view that the decision to close a hospital in the province of Ontario is perhaps similar to questions of education, one of the very few which seems to be clearly within the jurisdiction of the provinces. If there is some aspect of it that the hon. member feels brings it within the jurisdiction of this House, I would be delighted to see him phrase a motion that might spell that out. But certainly his motion today fell far short of that.

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[*Translation*]

COMMITTEES OF THE HOUSE

FINANCE, TRADE AND ECONOMIC AFFAIRS

Fifteenth report of Standing Committee on Finance, Trade and Economic Affairs, in both official languages (Mr. Comtois).

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

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[*English*]

EXTERNAL AFFAIRS

TRANSIT PIPELINES—TABLING OF AGREEMENT BETWEEN CANADA AND UNITED STATES

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I wish to table, in both official languages, the ad referendum text of an agreement between the government of Canada and the government of the United States of America concerning transit pipelines.

Order Paper Questions

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 3,517, 3,801 to 3,803, 3,836, 3,842, 3,855 and 5,026.

[*Text*]

PERSONNEL DEALING WITH ANSWERS TO QUESTIONS ON ORDER PAPER

Question No. 3,517—**Mr. Cossitt:**

Since July 8, 1974, what additions or subtractions have been made to the list of persons in the Office of the President of the Privy Council who have in any way been dealing with the answers to questions on the *Order Paper* (a) what is the reason in each case for any additions (b) what are their qualifications (c) what is their employment history with the Public Service?

Hon. Mitchell Sharp (President of the Privy Council): Since the President of the Privy Council has responsibility for co-ordinating the responses of the Government to questions on the Order Paper it is not possible to say that any person in his Office has not in some way dealt with answers to such questions. The principal co-ordination activity for the Government is not undertaken in the Office of the President of the Privy Council, but is performed by the Office of the Co-ordinator of Parliamentary Returns.

AUDITOR GENERAL'S REPORT—LANGUAGE TRAINING SCHOOL

Question No. 3,801—**Mr. Cossitt:**

With reference to page 74 of the report of the Auditor General for the year ended March 31, 1975 which stated that $36,000 was paid under contract guarantee to a language training school for which no services were received as the attendance of Statistics Canada personnel was below the guaranteed minimum (a) what is the name and address of the language school (b) what are the names and job designations of all persons connected with Statistics Canada who are responsible for such low attendance (c) have steps been taken to see that this situation will not occur in another year and, if so, what are such steps?

Hon. Mitchell Sharp (President of the Privy Council): The Auditor General's report has been referred to the Standing Committee on Public Accounts where questions related to the report can be raised.

AUDITOR GENERAL'S REPORT—CBC

Question No. 3,802—**Mr. Cossitt:**

With reference to page 63 of the report of the Auditor General for the year ended March 31, 1975 stating that the Canadian Broadcasting Corporation did not record an amount of $14,053,000 interest on loans from the government in its 1975 financial statement (a) what are the names and job designations of all CBC officials responsible for the failure to report (b) what are the reasons given by such persons for not reporting such interest (c) what steps have been taken to deal with those responsible for this matter and to prevent any recurrence in the future?

Hon. Mitchell Sharp (President of the Privy Council): See reply to Question No. 3,801 answered this day.

[Mr. MacEachen.]

AUDITOR GENERAL'S REPORT—POST OFFICE

Question No. 3,803—**Mr. Cossitt:**

With reference to page 70 of the report of the Auditor General for the year ended March 31, 1975 which stated that losses amounting to $40,000 and $48,000 occurred on December 7 and December 10, 1974 to the Post Office Department as a result of two forged certified cheques in payment for postage stamps (a) at what specific post offices did such loss occur (b) was the authenticity of the cheques established as required by post office procedures and, if not, what is the name of the person and job designation who neglected to follow such procedure (c) what are the reasons that such procedure was not followed?

Hon. Mitchell Sharp (President of the Privy Council): See reply to Question No. 3,801 answered this day.

PEI—FISHING SECTOR

Question No. 3,836—**Mr. MacDonald (Egmont):**

1. With reference to the fishing sector of the Prince Edward Island Comprehensive Development Plan, have measures been taken since the Plan's inception to improve opportunities for off-season employment for fishermen and, if so, what are they?

2. What are the (a) specific objectives the measures have been designed to achieve (b) criteria used in evaluating their effectiveness?

3. Since the Plan's inception, what have been the percentage increases for each year over the previous year in the (a) number of fishermen in PEI (b) number of fishermen engaged in off-season employment (c) average income received by individual fishermen from off-season employment based on constant dollars?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and of the Environment as follows: 1. Yes. The measures include education and training of fishermen and the broadening and strengthening of other sectors.

2. (a) The education and training programs aim to make the person qualified for a broader range of jobs. The provision of jobs and the creation of conditions in which the people of Prince Edward Island can develop viable economic enterprises for themselves are the objectives of the second measure. (b) The criteria used in evaluating their effectiveness are: retention rates, flexibility of the education system, the quality of education, levels of individual achievement, participation in the development activities arising from the Plan, the number of jobs, per capita income and gross provincial product.

3. (a) See following table. (b) Information not available. (c) Information not available.

Number of Fishermen, P.E.I. 1965-1975
Percentage of Change Over the Previous Year

Year	Number of Fishermen	Percentage Change
1965	3566	
1966	3220	- 9.70
1967	3369	4.62
1968	3301	- 2.01
1969	2965	-10.17
1970	2801	- 5.53
1971	2677	- 4.42
1972	3210	19.91
1973	2636	-17.88
1974	2610	- 0.98

PEI—COMPREHENSIVE DEVELOPMENT PLAN

Question No. 3,842—**Mr. MacDonald (Egmont):**

1. With reference to the fishing sector of the Prince Edward Island Comprehensive Development Plan, what measures have been implemented which are designed to keep fish (a) fresher (b) in better condition prior to delivery to regular refrigeration facilities?

2. For each year since 1965, what is the estimated percentage of the total market value of the PEI fish catch which is lost due to spoilage prior to its delivery to regular refrigeration facilities?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and of the Environment as follows: 1. (a) Measures to keep fish fresher include the provision of ice and better handling facilities. (b) Measures to keep fish in better condition prior to delivery to regular refrigeration facilities include the provision of ice, water supply, port infrastructure, better handling facilities, education and extension work.

2. Statistics on spoilage are not collected.

PEI—COMPREHENSIVE DEVELOPMENT PLAN

Question No. 3,855—**Mr. MacDonald (Egmont):**

1. With reference to the fishing sector of the Prince Edward Island Comprehensive Development Plan, is there a general policy of encouraging consolidation in processing of the major fish catches while developing localized processing capabilities for specialized fish products and, if not, for what reason?

2. Would significant economies of scale be achieved through consolidation of the processing of major fish stocks and, if so, what (a) is the optimum number of plants that should be in operation for major fish stock processing (b) type of saving would such economies of scale represent (c) would be the cost of such consolidation in jobs and incomes?

3. How many small scale plants for the processing of specialty fish products (a) are now in operation (b) would be economically viable in PEI based on (i) catch statistics for recent years (ii) estimated catch statistics following a vigorous programme of aquaculture and increasing the take of existing stocks up to maximum sustainable level?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Department of the Environment as follows: 1. No. The general policy is to encourage efficiency in fish processing.

2. The Fisheries and Marine Service has not undertaken any investigations relating to economics of scale in fish processing on Prince Edward Island.

3. Information on the number of small plants producing specialty fish products is not collected.

PRIVATE PENSION PLANS

Question No. 5,026—**Mr. Knowles (Winnipeg North Centre):**

1. How many persons are receiving pensions from private pension plans, such pensions being based on employment in Canada and what is the average pension per month received by such persons?

2. Of those indicated in the answer to Part (1), (a) how many are having their pensions escalated annually at a rate equal to the rise in the Consumer Price Index (b) how many are having their pensions escalated annually at a lesser rate (c) how many receive no annual escalation of their pensions?

3. How many persons are contributing to or are enrolled in private pension plans based on their employment in Canada?

4. Of those indicated in the answer to Part (3), (a) how many are in plans which provide, after retirement, for an annual escalation of their pensions at a rate equal to the rise in the Consumer Price Index (b) how many are in plans which provide, after retirement, for an annual escalation at a lesser rate (c) how many are in plans which provide for no escalation, after retirement, of their pensions?

5. How many persons in Canada are receiving retirement benefits from annuities, insurance plans, retirement savings plans or other schemes apart from employment-related pension plans and what is the average amount per month received by such persons from such plans?

6. Of those indicated in the answer to Part (5), (a) how many are having such benefits escalated annually at a rate equal to the rise in the Consumer Price Index (b) how many are having their benefits escalated annually at a lesser rate (c) how many receive no annual escalation of their benefits?

7. How many persons in Canada are enrolled in retirement plans of all types other than employment-related pension plans?

8. Of those indicated in the answer to Part (7), (a) how many are enrolled in plans which will provide, after the payment of benefits commences, for an annual escalation equal to the rise in the Consumer Price Index (b) how many are enrolled in plans which will provide, after the payment of benefits commences, for an annual escalation at a lesser rate (c) how many are enrolled in plans which will provide, after the payment of benefits commences, for no escalation?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by Statistics Canada and the Department of National Revenue as follows: 1. There are no precise data available on the number of persons in Canada who are in receipt of benefits from private pension plans. At best some proxy data are available from income tax statistics but these data have some limitations. They do not include the entire universe of pensioners because many have incomes too low to file a tax return. However, special tabulations of income tax records show that 605,700 persons received benefits from private pension plans. It was estimated that about 15 per cent to 20 per cent of these were in receipt of supplementary benefits such as widows' or orphans' pensions or disability benefits, but around 80 per cent were pensioners. The average annual income was $2,105.

2, 5, 6, 7 and 8. There are no departmental programs to capture this information either by analysis of documentation filed for registration purposes or through filing of special information returns.

3. At the beginning of 1974 there were 3,424,245 persons covered by private plans based on employment in Canada.

4. (a) Some 502,500 persons were in plans that have escalation tied directly to the Consumer Price Index. (b) 105,400 were in plans providing for escalation at a rate less than the increase in the Consumer Price Index. (c) 2,816,350 persons were in pension plans that provided for no automatic escalation of pensions after retirement. However, a number of plans periodically review their benefit structure and make upward adjustments to pensions being paid to their retired employees on an ad hoc basis.

* * *

[*Translation*]

QUESTIONS PASSED AS ORDERS FOR RETURN

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if questions Nos. 3,240

and 3,785 could be made orders for return, those returns would be tabled immediately.

[*Text*]

TRIPS BY MINISTER OF AGRICULTURE AND FAMILY ON GOVERNMENT AIRCRAFT

Question No. 3,240—Mr. Cossitt:

1. (a) On how many occasions has the Minister of Agriculture taken his wife or any members of his family with him on government aircraft (b) what are the dates (c) to what destinations (d) for what purpose?

2. What is the estimated cost of repairing the government aircraft which skidded off a runway while carrying the Minister, his wife and three children recently as private passengers (a) what was the full itinerary and period of time of this trip (b) what was the total cost of the trip including cost per hour of keeping the aircraft in the air and cost per hour of waiting time on the ground (c) how much fuel was used and what was the cost?

3. What was the nature of the government business that the Minister transacted on the trip during which this accident occurred?

4. Will the Minister be remunerating the government for the cost of transporting his family on government aircraft and what are the reasons that he could not have travelled by commercial aircraft?

Return tabled.

DEPARTMENT OF ENVIRONMENT—CONSULTANTS

Question No. 3,785—Mr. Crouse:

1. How many consultants were hired by the Department of the Environment in the past two years in the (a) Policy Planning and Evaluation Directorate (b) Liaison and Coordination Directorate (c) Computing and Applied Statistics Directorate (d) Finance and Facilities Directorate (e) Personnel Directorate (f) Information Services Directorate (g) International Fisheries and Marine Directorate (h) Operations Directorate (*i*) Research and Development Directorate (j) Air Pollution Control Directorate (k) Water Pollution Control Directorate (l) Environmental Conservation Directorate (m) Policy and Program Development Directorate (n) Inland Waters Directorate (o) Lands Directorate (p) Canadian Forestry Directorate (q) Canadian Wildlife Directorate?

2. What were their names and salaries?

3. What was their length of employment?

4. Were public tenders called before they were hired?

Return tabled.

[*English*]

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed, from Monday, May 10, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

[Mr. Blais.]

Mrs. Simma Holt (Vancouver-Kingsway): Mr. Speaker, I hope I can have a few minutes to conclude my remarks. Last night I argued that the priorities of justice must be directed to law-abiding citizens. I gave case stories of victims and their families damaged for life by murder. Today the hon. member for Saint-Jacques (Mr. Guilbault) greeted me with, "I heard that they had to mop up the House after your speech". If that is true—and I have no reason to doubt the judgment of the hon. member—my time was not wasted because, at last, a few people have started to shed tears for the victims of murder. Up to now it seems that total concern and pity has been for wanton killers, and disregard for victims.

● (1510)

If I may, I should like to now go on with the last part of my statement. It comes back to the perennial argument of abolitionists that capital punishment has a brutalizing effect on society. I have reason to believe that the converse is true. The failure to impose our laws has created a brutalized, angry society. Violence on the street and the laws of the underworld are more feared than the laws of parliament. Thus, the diminished confidence of the public in the nation's law and of parliament itself has been the licence for the most brutal forces in our society to take over.

The underworld has no trials, no courts, no justice, but the quickest, most barbaric methods. Perhaps if we were a nation that showed strong laws and were not intimidated by the 1966-70 syndrome, that every single civil right of the crooks' and hoodlums' superseding the rights of the majority, we would not be moving toward the law of the jungle on our streets. It is obvious that when the rights of the minority, especially the outlaw minority, supersede the rights of the majority, the majority will be enslaved.

Every abolitionist I have ever known is willing to lock people up in prison for a long time. This, in itself, is unconscionable brutalization both for the offender and those who must live with him inside the prison. This brings me to my final point, the issue that takes precedence over the end-of-the-road matter of capital punishment, and that is prevention of crime. Prevention of human destruction must begin at day one in the life of every child. It requires support for parents alone, parents who are ill or unable to care for their children fully without help. It requires the best service possible and super-parent substitute in love and protection for unwanted and abandoned children—and the number is now growing in our society. We must find some way to ensure a basic right for children to grow up without anger, frustration and violence spawned in poverty.

There are those who say one should not discuss money in relation to life or death in the whole issue of capital punishment. I feel it is valid, along with the argument that prisons will not serve any purpose for the killer other than to allow him licence to kill again and, if not that, to totally break him as a human being, unable to function upon release late in his life. This, in itself, is brutalization without measure.

Having said that, I will go into the cost per life in prison of the killer sentenced under the alternative of Bill C-84. It is estimated the cost today is about $14,000 a year, or $350,000 for a life sentence of 25 years. That money could be invested in support of homes that would otherwise fall apart and the children damaged. No doubt as many as 5,000 or more children might be saved with the cost per life to keep a single, ruthless killer in jail for 25 years.

There is no doubt that a child is like a delicate crystal goblet. Step on it, crush it and it can never be repaired. Throw it off in rejection and it will shatter into broken bits. Crack or chip it through indifferent handling and its beauty can never be completely restored. But care for it and give it attention and love and it will give off its own small spectrums of colour and light in the glow of life. In other words, a child can crack and a child can be broken, and there is no way to repair the damage.

Over and over, people in prison have said, "We cannot be rehabilitated unless we are habilitated." No matter how much we care, no matter how much we worry about how these people became violent, it is a fact that they are here among us right now, a danger and a threat to the community and its fabric. As much as we hate to admit it, some are incurable even as children because they have been so terribly damaged in their formative years. Thus, we should move strongly into prevention, but we must face the realities that among us are dangerous creatures who are, and look like people. We must deal with them as they are now, not as we wish or dream they might be.

There is so much I could say both from personal experience and from the extensive research I have been able to do in the past 30 years, not only on how crime begins but also as a result of my great good fortune in life to have the unique view of crime and correction from many sides: from the offender's viewpoint, the victim's, the families of both offenders and of victims, the courts, death row itself, from condemned killers in prisons and from those who live in prisons and run prisons, from judges and lawyers, both defence and prosecution. Time does not permit me to use all of it. However, it is on the basis of this knowledge, this work and this experience that I stand here opposed to Bill C-84.

[*Translation*]

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I most certainly do not have to justify my participation in the present debate. My personal convictions, a mandate from the vast majority of my constituents, and above all the experience I have acquired in the field of justice as Crown attorney, solicitor general for the province of Quebec, judge on two occasions, minister of justice and attorney general for Quebec, urge me to express clearly what I think of the bill before us.

Why is it that the government is asking Parliament to go back on the 1967 and 1973 decisions? Is it because of the public pressure for abolition of the death penalty? Far from it. Every poll held and correspondence received by each member in this House indicate that most Canadians are opposed to the bill before us.

Was there any decrease in the murder rate in Canada since the legislation of 1967 and 1973? As reported on page 13088 of *Hansard*, the Solicitor General admits that from 1962 to 1974 the murder rate per 100,000 population climbed from 1.2 to 2.4. Now, it was a period during which, except for two or three cases, the death penalty was not enforced. Taking in consideration the demographic growth during those past years, that is from 1971 to 1974 inclusive, the number of murders in Canada went up from 425 to 545, which represents a raise of almost 28 per cent. I am convinced that a considerable percentage of those murders is included in the group of premeditated murders and can be mostly ascribed to the worst group of murderers, that is hired assassins.

Under those circumstances, we are surprised to note that in introducing his bill the minister stated without flinching, and I quote from *Hansard* on page 13089:

> It is my contention that if no irrefutable evidence can be brought forward that capital punishment is a more effective deterrent to the commission of murder than is a lengthy sentence, then we must conclude that a lengthy sentence is preferable, and that the burden of proof to conclude otherwise rests with those favouring the death penalty.

It is obvious, Mr. Speaker, that the Solicitor General is turning the tables. Moreover, the government having commuted all death sentences since 1968, thus depriving the country of an essential element in this debate, it is its duty on the contrary to prove beyond any doubt that abolition of capital punishment and the proposed alternative measures will protect Canadian society more efficiently and will help put an end to premeditated murders and specially those perpetrated by hired assassins.

During this debate, I hope we will be spared the sophisms we have heard so often that deliberately confuse expiation and vengeance and make of the supreme punishment a perversion of state powers. I dare believe that we will no longer hear that by applying the death penalty to the author of a qualified murder, the state lowers itself to the level of the murderer. However final the execution of a murderer, it is to wrong justice odiously to compare this gesture to a crime.

To justify this bill, the government upholds that the death penalty is not an efficient preventive or dissuasive measure against murder. It suggests that figures show that murder rates change very little between times and countries where capital punishment has been applied and those where it has not. I must say I am not impressed at all by this so-called argument, because how can one count crimes that have not been perpetrated, and how can one prove that they have not been perpetrated for a reason other than any other? I know from experience that in many cases the fear of hanging has deterred criminals about to kill their victim. Their testimony should not be dismissed lightly, even though in certain circles some people pretend to question their sincerity. Fortunately, with very few exceptions, the principle is accepted that for serious reasons the state has the right to impose capital punishment. Since it is derived from the experience of many generations, the time-honoured wisdom, whose value must not be despised, has always recognized the right of the political authority to resort to capital punishment against those convicted of particularly odious crimes and especially of deliberate murder, so as to prevent their repetition.

I am well aware, Mr. Speaker, that this does not mean that the state has not in the past abused this power and been unduly severe in the case of minor offences. That is no longer the case fortunately in most countries of the

world. The progress of psychology and criminology, less cruel detention conditions and improved rehabilitation methods have fortunately made it possible to save human lives and often allowed to rehabilitate those who has taken the road to crime. In this regard, and because it affects me more personally, the latest release of the Canadian Catholic Conference, that is the assembly of all the Canadian Catholic bishops, is absolutely clear. While recommending for compassionate reasons the abolition of capital punishment, the document stated and I quote:

● (1520)

In taking such a position, the bishops do not deny to the State the right to enforce capital punishment when circumstances require it; nor do they intend to bind every Christian in his personal opinion on the issue.

In fact, the bishops were only reiterating what Pope Pius XII, whose generosity cannot be questioned, said in 1952, and I quote:

It is the sole responsibility of the political powers to deprive a condemned man of the blessing of life in expiation of his offence, after he has renounced his right to life when committing his crime.

These words, Mr. Speaker, should reassure those among us who are still torn between their desire to efficiently protect society against murderers and that of saving a human life, even if it is the life of the worst criminal. It is my deep conviction that under present conditions and especially due to the existence of organized crime, capital punishment remains necessary to prevent if possible and—it must be said—to punish premeditated murder. Indeed, no matter how you rely on the preventive or curative effects of prolonged confinement of murderers, there will always remain a minority for whom crime, including murder, will be a usual activity. In the end only capital punishment can be an ultimate protection against that minority. Those who ignore the warnings of the law and do not hesitate to kill for despicable motives—profit for instance—should not expect the state to save them from the supreme punishment, particularly in these days when organized crime has become a way of life.

Besides, is it not surprising that ever since this debate started, the abolitionists have not yet been able to come up with the final argument which would put an end to all hesitations. Who will contend that an enlightened public would have rejected such a reform for so long if the realism and the prudence of men had not helped moderate the excessive optimism of these protagonists. And what is most ironic, Mr. Speaker, is that there has been die-hard abolitionists who finally stood up against the total abolition of capital punishment. And I am especially thinking of Jean Imbert whose work entitled "La peine de mort" is quite authoritative as far as the evolution of the penal code is concerned. In the conclusion of his book, this famous abolitionist writes, and I quote:

It would be very tempting to ask for the abolition of capital punishment, everywhere and for ever. To my mind, such an ambition is an utopie. On the one hand, certain people must keep, as long as they have not reached a certain degree of civilization, the threat of the most severe retribution, which can have a stronger deterrent effect than other forms of punishment. On the other hand, even in very highly civilized countries, to say that no one, not even the State, can deprive an individual of the right to live is just an abstract statement when presented with certain definite situations; in fact, any organized society claims it has the right and the duty to lead its members to death, first in times of war, then in case of subversive activities from within.

[Mr. Wagner.]

And, Mr. Speaker, at this very moment while I am talking to you, is there a more subversive form of activities than organized crime? Have a look at today's newspaper headlines and you will find the obvious answer. Is there a more dangerous threat than the hired killer, the professional killer? Is there anything more dangerous than their actions first against the lives of ordinary citizens and also against the very principles of social order and fabric established by society for the protection and the better-being of its members?

One argument which is very often put forward against capital punishment is the possibility of some miscarriage of justice. But the reform of the criminal code and of the legal proceedings has nearly eliminated any possibility of error as to the facts. No one is now condemned to death on simple circumstantial evidence; it is necessary to file an appeal up to the Supreme Court and this appeal enables the superior courts to review the files and to detect the slightest defect in the evidence submitted by the Crown. There still remains the exhaustive examination of the case by the Solicitor General and, finally, by the cabinet; the latter can always exercise its right to commute the death penalty. It goes without saying, Mr. Speaker, that at each one of thoses stages, the slightest doubt must, of necessity, serve the accused.

Even now, those who killed under the influence of passion, jealousy or anger do not incur the death penalty. Compassion is often shown those in special cases: I am thinking of the person who, in his excitement, fatally wounds the policeman who is trying to arrest him.

I am quite willing to accept his being shown some forebearance, though he did put himself deliberately in a situation inviting murder. But there remains, in particular, the extreme cases, the hired assassin, the professional killer, the expert in holdups, the expert killer of embarrassing witnesses. If I had time, Mr. Speaker, I could recount all that happened some years ago when embarrassing witnesses were massacred, one by one, by hired killers who could not have cared less about the threat of the death penalty, knowing full well that no matter what they did they would never get to the hangman's noose.

Do those professional killers deserve to live? Is it advisable to let them live? I am convinced it is not. As the right hon. member for Prince Albert (Mr. Diefenbaker) wrote on page 123 of his memoirs entitled *One Canada*—

● (1530)

[*English*]

This excerpt comes from that great book written by the right hon. member for Prince Albert (Mr. Diefenbaker). It reads:

Society must be protected from those who kill for profit or who regard murder as an occupational hazard in the commission of robberies or kidnappings.

[*Translation*]

This is proven, as is evidenced by a number of bloody evasions. Life imprisonment, even if those 25 years really meant 25 years, no longer provides adequate protection. There is always the danger and the possibility, indeed the probability of evasion with killings, on the part of those crime professionals.

How are we to believe that, when there is no threat of capital punishment, a member of the underworld with connections to get firearms will hesitate even a second to kill to regain his freedom? If he is caught, all he may get is some extra years in prison. And should there be a fresh opportunity, certainly he will not balk at committing another murder to escape from prison. And what about the holdup professional: What is going to prevent him from killing his victim or innocent bystanders, because the only possible punishment is some extra prison time.

What adequate protection could the state give to someone who is willing to help fight the big shots of organized crime, to someone who is ready to testify for the Crown to help convict those individuals? How is the state going to efficiently protect him, if his potential murderer is to remain alive? Who will prevent premeditated murder by the unsyndicated individual if the murderer knows before hand he will not pay with his life?

As I said, the only adequate deterrent still remaining, especially against professional killers, is the death penalty. Unfortunately, there is no other. In an interview given October 16, 1975 to the Ottawa *Citizen*, Mr. Meryle Cameron, president of the Ottawa Police Association and the Ontario Police Association, flatly stated, and I quote:

[*English*]

During the last three or four years, the criminal element has come to understand that they will not be executed for killing a policeman. So, the more they come to realize it—and they will be certain of it if capital punishment is abolished—the more prone they will be to kill policemen.

[*Translation*]

After talking to criminals, Mr. Cameron came to the conclusion that the only thing still feared by organized crime is death on the scaffold. I quote further:

[*English*]

It is the threat he understands: the fact that it is there and is likely to be applied. After all, the criminal element itself deals with its people in this tough way. They must understand tough retribution, if it is part of their philosophy.

● (1540)

[*Translation*]

Far be it from me to suggest that a member of the underworld cannot be rehabilitated. Mr. Speaker, if after his record is reviewed, specialists are inclined to believe that he may become an honest citizen again, society must obviously give him a chance to prove it. However, the fact remains that a number of professional criminals cannot be rehabilitated because they do not want to. I refer here to the testimony of a policeman, an ex-abolitionist, superintendent Tom Flanagan, of the Ottawa police force.

In the Ottawa *Citizen* of October 17, 1975, Mr. Flanagan no longer hesitates to say, and I quote:

[*English*]

We have now gotten in a state where we have no choice but to execute some people because they don't want to be rehabilitated... There are people who have made up their minds that their business is going to be crime. You know, crime is not a sickness... Crime is a business. The sooner people think of it that way, the better.

[*Translation*]

Mr. Speaker, for those who are still in doubt and who wonder if, in certain cases, the death penalty might actually be an effective deterrent against professional criminals, Mr. Flanagan says this:

[*English*]

I am in favour of it—

Referring to capital punishment.

—because it is necessary, because it would prevent rational and deliberate murder... We must make clear to the potential murderer that he would risk a good chance of being executed for the crime... Many would think twice if confronted with the strong possibility of execution... Some of them may take a chance and I am not saying that this would not happen. But some won't take the gamble and it is for these people that capital punishment is an effective and necessary deterrent.

[*Translation*]

Mr. Speaker, people have been complaining in the last few years, and rightly so, about the increase in violence and the great number of murders in Canada, especially premeditated murders. To quote only an example, that of the island of Montreal, the number of murders has increased from 73 in 1974 to 112 in 1975, a 53.4 per cent increase in a year. I think it is fair to say that half of these killings were premeditated and were either a settling of accounts among the underworld or the elimination of embarrassing witnesses for the big shots of organized crime.

One may wonder at length about the causes of crime and violence. In this respect, one may point at the weakening of moral values in too many individuals, the break-up of families, the exaltation of violence in every form and its excessive exploitation in films and on television, the feeling of frustration and even despair resulting from unfair economic conditions which are often unbearable, even though crime is not the prerogative of the underprivileged. We can also blame a deficient and inefficient penitentiary system which, too often, generates crime instead of preventing relapses. This is why a social and a penitentiary reform has become an immediate necessity.

But is the state blameless? Through its weakness and a misguided humanitarian spirit did it not contribute—even involuntarily, I agree—to giving murderers and especially professional killers a real feeling of security? According to the evidence given by policemen, lawmen, magistrates, many criminals admits it bluntly.

To justify the commutation of each death penalty since 1968, the Prime Minister and the Solicitor General have alleged that each record was studied according to its own merit and that each sentence commutation was made only in case of palliating circumstances. We would be more convinced if, on several occasions, the government had not acted without any clemency recommendation from judges or juries. We would be more convinced had the Solicitor General publicly exposed the reason for the ministerial decision in every case.

For now, and the present bill stands as irrefutable evidence, we have to conclude that those sentence commutations were declared only because Cabinet members refused to implement the law. But, whether the government believes it or not, the extension of the mandatory prison sentence or the restriction of release conditions for murderers will have no deterrent effect on professional killers and crime desperados. Half measures, extended prison sentences will never be enough to avoid the threat that those reckless criminals represent for their fellow citizens and

especially policemen. It has been demonstrated that jail no longer prevents murderers from killing, it no longer prevents crimes and bloody escapes. For many inveterate criminals, it only prompts them to be still more violent and kill those who stand in their way to freedom.

Hon. members who would be tempted to believe that those fears are exaggerated should read the view expressed by some organizations or newspapers that could not be called prejudiced since they favour abolition of capital punishment. Alleging that the new peace and security legislation, and I quote:

... does nothing more than replace quick death by slow death in a cell ...

... the Human Rights Association declared through its general director, Mr. Normand Caron, and I quote *La Presse* of February 26, 1976:

The only effect of those new amendments will be to create even more desperate prisoners who will be faced with a hopeless future and will not hesitate to attempt to escape.

For its part, the Association of Social Workers in a press release published the same day by the same newspaper gave the government the following warning:

We are aware of the fact that the public is entitled to better protection against criminals, but we do not believe that longer prison terms are the answer to the problem. In fact, we have every reason to believe that extended sentences will only worsen the situation.

The *Montreal Star*, an acknowledged abolitionist, on February 25, wrote the following editorial from which I qoute:

[*English*]

Filling the prisons with men doing endless time is the guaranteed way to turn them into time bombs and put the prison staff at terrible risk.

[*Translation*]

This is certainly a comment over which the Solicitor General should ponder in his spare time. And the newspaper *Le Devoir* which is also quite well known and which is openly abolitionist, wrote on the 27 of the same month, and I quote:

Instead of coming back to kill a grocery clerk we see a convict dragging hostages with him inside his cage. The blood of innocent people will be flowing like it did at the British Columbia penitentiary.

This is another extremely meaningful comment by an editor who, as far as I know, is not looking for "sensationalism", at least not always. Mr. Speaker, therefore, in the very eyes of those who are calling for this reform, abolishing the death penalty and sentencing convicts to lengthy prison terms will never do away with the risks of peace keeping officers being killed, especially by desperate criminals who have made murder their profession.

It is precisely because of this sort of people, who have decided to earn their living by being involved in criminal activities that it remains absolutely essential that the death penalty be maintained and applied in the hope that executions will make others think twice before they decide to kill somebody. This is the sole and ultimate protection that is left to us against those who have no respect either for the life of others or for their own. Mr. Speaker, if this bill does pass and the rash of premeditated murder increases in momentum—and I have no hesitation in predicting that it will—a terrible responsibility will rest on

[Mr. Wagner.]

the shoulders of those who will have allowed such a thing to happen.

As far as I am concerned, my conscience does not allow me to run such a risk. This is why I intend to vote against this bill and continue to request the death penalty in all cases of premeditated or cold-blooded murder committed during an escape or an armed robbery. And I should like to emphasize, Mr. Speaker, that I am well aware that this is a matter for our conscience and also that my past experience and my responsibilities towards my constituents are significant factors in this decision.

● (1550)

Mr. Charles-Eugène Dionne (Kamouraska): Mr. Speaker, once again, in 1976, following the introduction of twin bills C-83 and C-84, we are called upon to discuss a most delicate problem, the administration of justice in times troubled by such various events as the unnerving increase in thefts and crimes that are causing great concern among the people who would appreciate the possibility of living in security in a society that could be better organized.

During the debate on Bill C-83 in March 1976, I said that a number of politicians prefer to blame the rising crime wave on the availability of weapons rather than to seek solutions to economic and financial problems which are in most cases the root causes of the problems afflicting our society.

I also stressed the importance of reorganizing penal institutions in such a way as to provide guardians and those who assume responsibilities the means to develop better rehabilitation instead of keeping prisoners in an atmosphere that is becoming especially for the younger ones a school to learn all the inveterate criminals' tricks. No doubt that following its study in committee some amendments could be made to Bill C-83 with a view to making it applicable and preventing the many disadvantages resulting from ever too complicated legislation and regulations.

A few years ago, on the occasion of earlier debates about the methods used on the matter of sentences imposed on convicted criminals, the members of the House of Commons had the opportunity to vote freely on this issue fraught with consequences and full of general interest. That attitude represented some improvement in the light of the usual concept related to procedures within the political parties in our so-called democratic system.

I was under the impression that under the circumstances this procedure would have contributed to ensure in a practical way the respect for free speech within our parliamentary institutions. We would have at least contributed to create a climate whereby everyone would have freely assumed his responsibilities. Besides, this is what the citizens in this country want: that their representatives act in Parliament according to the country's general interest rather than according to their party's interest, in order to bring about a real improvement of the situation in every respect.

Unfortunately, this freedom of opinion among members seems much more restrictive in 1976. These restrictions are probably due to the fact that the majority government wants to use these means of action to facilitate the passing of this bill.

On various occasions, several persons familiar with the situation in Canada demanded the holding of a referendum to provide the people of Canada with an opportunity to give their opinion on the question of retention or abolition of capital punishment. It is unfortunate that those who have been in power for the last five years did not organize such a referendum on the subject. Considering the present situation, I think that the majority of the people I represent share my position, if I consider the many answers I received to the questionnaire I sent. A very small percentage seemed to be in favour of abolition while the majority pronounced themselves in favour of retention of capital punishment.

● (1600)

I have had various suggestions as to the methods of execution to be used and most people would be prepared to recommend the use of the gas chamber. I might add that I favor this opinion. I also want to indicate that I cannot find any explanation for the attitude held by those who claim that capital punishment may be maintained for some categories of people. I do not see how one may assess different values to the lives of a father or a mother, of a policeman or a warden, of an industrialist or a businessman, of a poor man or a rich man. Everybody has a right to live. This moratorium which allows for a mitigated justice comes to an end in 1976, and this is why this bill has been brought back before this House. I have here an article which was published in the March 24, 1976, issue of *La Presse*, signed by a Mr. Gaston Gagnier from LaSalle. I think it would be in order at this stage to quote from this article. It reads as follows:

> We consider that the law will continue to be inadequate as long as all armed bandits caught in the act will not be liable to the death penalty. Criminals who rob banks or hijack Brinks-type armoured cars are real live arsenals. A machine-gun is not exactly a charm attached to the chain of one's watch. These people are therefore potential killers. Such madmen will not hesitate to mow down everybody if they fear being captured. Their crimes are therefore premeditated, and any accomplice, whether or not he is where the action takes place, bears the same responsibility. If a criminal knew that he is risking capital punishment, he would give second thought to what he intends to do before getting involved in a criminal operation.

And further on, in the same article:

> Certain eager abolitionist ministers have already stated publicly that they would resign rather than enact such a radical legislation. This is sheer political blackmail. Well, they will just have to go. Canada and justice will only be better off.

In many areas, we have not been careful enough. It is as if all the methods of publicity are being used to bring society to adapt itself to a system which is all wrong. After having contributed, unconcernedly, to such a laissez faire situation as regards the publication and sale of newspapers and magazines and the showing on television of films in which criminals sometimes are made to look like heroes, thus giving to the developing mind the most striking examples of crimes, thefts and various other disorders that are rampant in this world, after having through carelessness allowed into this country certain categories of undesirable immigrants, we panic at seeing the consequences of our stupidity. In various occasions, our courts of justice become the scenes of all kinds of provocations.

Even in this House, we often hear discussions in which the scandalmongering of some of our colleagues is not likely to instill any sense of respect towards the established authority in the minds of our fellow-citizens. Can we now say that all has been done to make life as pleasant as possible, for all the citizens of this country on which God has bestowed unlimited riches? The members of Parliament should settle down to this specific task with the firm determination to succeed, instead of wasting their time in trying to determine whether we should abolish or maintain the death penalty. For the time being, it would be much wiser to give the people of Canada, a new hope for a better life by passing legislation which would be less materialistic and more human.

If we had a system which would make it possible for everybody to find a job or, at least, a healthy congenial occupation which would enable each individual to make an honest living, I have good reasons to believe that the crime rate would lessen. Obviously capital punishment cannot commend itself for its beauty; as soon as one pictures in one's mind a human being hanging, one is overwhelmed by a feeling a repulsion. If one does not react against this feeling, it promptly grows into a negative passion.

The danger is the same if we think about the parents of the murderer's victim, except that passion works the other way around. It then becomes impossible to discuss reasonably and consciously, or even to perceive the issue at stake. It is along this regrettable route that the controversy has been carried following the announcement that abolition legislation would be brought forth before the House. In all logic, one cannot call for abolition of a time honoured measure without invoking a first class rationale. I do not mean that the very longevity of this practice makes it necessarily venerable. But it has been challenged for over a century. Obviously the legislators that followed one another did not retain it by sadism.

We must then consider the arguments put forward up to now by the abolitionists. For some, it is only a remainder from barbarity. Others think in terms of niceties. They contrast hanging with the dignity of human life, the rigours of moral evolution, the humanitarian rehabilitation of murderers and others such nice concepts.

Medical efforts in recent years show beyond doubt a stronger respect for human life as well as increased concern for its protection and promotion: fight against cancer, heart transplants, gynecological research, blood banks. But there is another aspect of reality that daily life reveals as brutally: wars, pollution of environment, irrational and savage exploitation of the planet's resources, abortion, etc. In one hospital in Montreal, a medical team persists in trying to anticipate the viability threshold of the child to be born whereas in another department, abortion is performed. In the present confused system, the value of life is often brutally denied by changing behaviours, when necessary.

Thus, after talking at length of holy wars and just wars, we have come today to recognize the immorality of war—of any war. There is no future in wars for humankind. Unfortunately, we continued nevertheless to fight.

It is obvious that the numerous problems of criminality in our modern societies are not easy to solve. We know that imprisonment costs much money to citizens and that we must also account for the cost of police services which, in Quebec, according to reports published in a Montreal

newspaper on April 30, 1976, went from $150 million to $320 million between 1970 and 1975.

Figures from the Quebec Police Commission originate from budgets, that is from estimates and do not include police expenditures other than municipal and provincial ones, such as those of the RCMP.

In total, 13,596 policemen were on duty in 1975 in the province of Quebec, including 4,108 for the Quebec Police Force. This personnel was assisted by 2,619 civilians and 375 part-time policemen and 3,090 motor vehicles of which more than half were not identified.

The Montreal Urban Community, which covers 30 municipalities, takes the lion's share with $136 million followed by the Quebec Police Force with $104 million.

If we add to those already huge amounts the expenditures anticipated for supervision during the Olympic Games, we find ourselves in the ridiculous situation where in some areas of the country one half of Canadians will watch the other half at a cost of millions of dollars when our politicians of every stripe urge each citizen to save during an inflation period which they have contributed to create. During that disturbed period, we must just the same assume our responsibilities and honestly try to enforce a rehabilitative justice.

It might be possible, with the modern means of transportation and supervision at our disposal through the armed forces, to have inmates achieve profitable works in northern areas or to develop camps on islands from where it is almost impossible to escape. We might use the services of inmates in human working conditions while ensuring the advantages required in their situation to those who have an aptitude for rehabilitation; this would not only contribute to relieve overcrowded penitentiaries, but it would provide a large number with a useful occupation rather than leaving them idle with experienced mates preparing new plans. We are far from having experimented all means of rehabilitation and yet, we know that nothing must be neglected in this regard.

When one considers the behaviours of a percentage of inmates, in particular the young ones, one often finds that a large number of them have endured living conditions which contributed to develop in them a hostile attitude towards society, have been neglected by too many parents who failed to assume their social responsibilities, and often went through endless unemployment periods with all the painful experiences associated with it: inadequate incomes, hardships and despair.

Our administrators must now accept to pay after the crime what they too often refused to pay before and which, in many cases, would have avoided these periods of forced idleness and hardships of all kinds that are the results of a corrupt and corrupting financial system. We must now pay the high cost of rehabilitating criminals; it is urgent to bring about social changes in many areas to make life more human for many people.

Inflation, taxes and debts are not remedies to the great illness from which society is suffering. Those who are in charge of this society will have to get used to seeing wealth in things—real wealth, real value—rather than in sings. This is the root of the problem, the real illness of the century, which has terrible effects that might be called the fear of tomorrow, which often makes your hair turn white at an early age and which probably contributes to send a large number of citizens to their graves before their time. Let us consider for some time the devastating effects this famous system has had on our planet. Many people are ready to tread on their conscience to earn their living. How many businessmen have cheated their competitors just because if they had not they would have gone under? How many professionals have sought to live in comfort and according to their rank at the expense of their science and their art? How many public men have sold out their country to gain economic security for themselves? The word "money" comes more often to our mind than the verb "love" to our heart. This is how our money system is holding man in slavery. The human being worships the golden calf. Money is at the centre of his concerns. This means that the money system has departed from its primary object. Money must continue to perform its mission, and be a tool of exchange instead of domination.

[Mr. Dionne (Kamouraska).]

Our system is vitiated and condemned by the greatest doctrinal authority in the world. Here is what one can read in the *Quadragesimo Anno* encyclical:

> Those who control money and credit have so firmly economic life in their grasp that no one can breathe against their will.

And in the same text one also finds:

> The economical and social structure will be soundly constituted and achieve its end only when it will provide all its members with all the goods that the resources of nature and industry as well as a truly social organization of economic life are in a position to secure for them. Such goods must be sufficiently abundant to satisfy the needs for a decent living.

The decision-markers at the top of society should draw theis inspiration more often from encyclicals and direct the economic organization so as to allow the people to live decently, particularly in a country endowed with an abundance of natural resources and inhabited by well-meaning people.

I have every reason to believe that through such means, as I said earlier, the number of crimes would be reduced.

● (1610)

[*English*]

Mr. Gilbert Parent (St. Catharines): Mr. Speaker, many of my colleagues have quoted facts and figures to prove either that capital punishment is a deterrent to murder or, conversely, that it is not a deterrent to murder. I suggest that statistics can be interpreted to virtually any advantage. I wish to address myself to another facet of the argument; that is, that our laws with regard to capital punishment as interpreted and administered seemingly are inadequate to deal with our current social problems, and our prisons are not equipped to truly rehabilitate condemned murderers.

Society must believe that it is being protected. I am sorry to say that today this credibility does not exist. Perhaps it is the fault of the media, which day in and day out bombards us with atrocities which men visit upon one another. Perhaps it is because for years we have been conditioned to accepting violence as a legitimate response to wrongdoing. Whatever the cause, the public feels vulnerable and under attack.

It is all well and good to quote statistics that show capital punishment is not a deterrent, but what do you say to the wife and children of a husband who was shot down, murdered in cold blood with malice aforethought by a killer who was trying to procure ill-gotten gains of whatever description? I do not wish to cast slurs on those who firmly believe in abolition, but in fairness they should not pepper their arguments with innuendoes that the retentionists are less humane than they.

Some hon. Members: Hear, hear!

Mr. Parent: Which is more humane, to put a man to death or have him spend 25 hopeless years locked away in prison? What would he do when he was released? Toffler, in "Future Shock", stated that in 1900 we had a new generation every 20 years. By 1945 we had a new generation every 15 years. During the sixties we had a new and different generation every 12 years. Now, in 1975, we have virtually a new generation every ten years. If this trend continues and if a man or woman were sentenced in 1975 to 25 years in prison, by the year 2000 three generations or three generate changes of mores, customs or attitudes will have taken place. That person would be like a Rip Van Winkle thrust into a space age. When he returned to society how could he possibly be prepared to cope with all the problems with which he would be faced?

Prior to the 1974 election I had not made up my mind whether I was a retentionist or an abolitionist. During the campaign I was asked many times about my position on this particular issue. At that time I promised I would speak with my constituents and conduct a survey on how they felt about this issue. I did take the survey; I sent out 40,000 questionnaires. Virtually every adult in my constituency had an opportunity to let me know how they felt. Of the 40,000, only 2,755 responded. The response was overwhelmingly in favour of retention of capital punishment.

I asked these straightforward questions of my constituents: first, "Do you favour the abolition of the death penalty?". Twenty per cent replied "Yes" and 80 per cent said "No". Second, "Do you favour the retention of the death penalty for convicted murderers?". Eighty-one per cent said "Yes" and 19 per cent said "No". Third, "The present law calls for the death penalty only in the case of convicted killers of policemen and prison guards. Do you agree with this?". Sixteen per cent said "Yes" and 84 per cent said "No". Fourth, "Do you favour life imprisonment—that is, the remainder of the offender's days as a punishment, instead of the death penalty?". Twenty per cent said "Yes" and 80 per cent said "No". The fifth question was, "Are you in favour of the death penalty for all criminals who have been convicted of murder and other crimes which are now subject to the death sentence?." Eighty-two per cent responded "Yes" and 18 per cent said "No."

● (1620)

Finally, Mr. Speaker, I wanted to be sure that the people of St. Catharines truly gave me a correct picture of their feelings on capital punishment, not only for the killing of policemen and prison guards, so I asked the sixth question in this way, "Are you in favour of the death sentence only for criminals who kill police and prison guards?" Only 8 per cent responded "Yes", while 92 per cent responded "No." So you can see, Mr. Speaker, that the results were virtually overwhelming. Some people have suggested that perhaps we should not make decisions on the basis of surveys. I agree that perhaps decisions should not be made on the basis of surveys. I agree that perhaps decisions should not be made on the basis of surveys alone; but when we go to the people and ask their opinion, we should be receptive to their advice.

Some years ago, when in university studying apologetics, we were discussing wrongdoing and what constituted wrongdoing. There are three ingredients that go into it. The first is that a person must know that what he is doing is wrong; there must be knowledge. The second is that you must want to do it; therefore, there is a decision, a will. Thirdly, you must do whatever the action is; it must be done. For my purposes here I have defined what is a murderer. First of all, I believe he must know what he is doing. He must be sane. He must have all his faculties. He must be able to exercise knowledge. Second, he must plan the crime very carefully. Therefore, the crime would be premediated murder. Third, he must want to do it. He therefore makes a conscious decision to go ahead. Fourth, he carries out this action. So for me, at least, the definition is quite clear, and with this definition in mind I have gone on to make a decision for myself and for the people I represent.

It has been said that if every person convicted of capital crime were killed, there would be two killings instead of one. That is a very simple deduction but it is not entirely accurate, for by no means is every convicted murderer executed. There has been no execution in Canada since 1962, which reveals that even if returned, capital punishment would be imposed only in the case of a notably small percentage of murderers. I am aware that since 1968 virtually all the men condemned to hand have received a recommendation of mercy or leniency from the jury; only one has not received a recommendation of mercy.

To those who say that the state has no more right to take a God-given life than an individual, the cart is put before the horse. By using capital punishment, the state employs the only effective deterrent so far as the vast majority of persons is concerned. Because of the severity of the punishment, the potential murderer will do more thinking, I suggest, before perpetrating a premediated murder. The all-important threat of adequate retribution for so horrendous a crime is there, though society will probably not carry out an execution except in the more deserving cases and where hardened criminals are involved.

I suggest, Mr. Speaker, that the murder comes first, the death penalty comes second. In order greatly to reduce the incidence of one person slaying another, and in the overall, I believe that fewer persons would lose their lives. Further, Mr. Speaker, I believe society does have the right to take life. We sanction war under extreme circumstances and send the flower of our youth into battle to kill so we can protect those principles by which we live. Our abortion laws as presently constituted permit the taking of the life of a child where the life of the mother is in danger. Murder is a great deal more dehumanizing and is made extremely more so by those who, by their permissiveness and laxity in dealing with convicted murderers, place such a totally incomprehensibly low value on human life.

To those who say that we do not sexually assault a rapist, that we do not burn an arsonist, but that we want to kill a murderer, my reply is that to say society is not justified in taking the life of certain types of hardened, convicted killers because it would, in turn, then be taking a life, is identical to saying that society would never imprison a convicted kidnapper because by so doing society would be using the same tactics as those employed by a kidnapper, namely, holding a person imprisoned.

I believe that society, rightfully, should impose the death penalty in the case of a murderer, because it is the severest form of retribution for the severest form of offence, namely, murder. This, in itself, proves that the state does not do so in order to emulate the very deed of the murderer; accordingly, society does not act toward the rapist or arsonist in the manner suggested.

Many people have quoted the Bible. The Bible could be quoted by both sides. But when Christ said, "Let him who is without sin cast the first stone", He wanted to remind us all that we should examine ourselves and not regard ourselves as the sinless and righteous ones. It does not mean that the country should not have laws, law enforcement and courts to dispense justice when crimes have been committed. Christ's words that we should not take an eye for an eye or a tooth for a tooth pertain to our individual, everyday dealings with our fellow men, not to the necessary laws of a country which are designed to maintain order and discipline. A very strong and real influence exists, though doubtless not intended, that society should even overlook murder on the grounds of Christ's pronouncement.

Granted, Mr. Speaker, if everyone always did the right thing, no country would need laws. But we know that that day has not yet arrived. In fact, it is possible that the world, unfortunately, is fast moving in the opposite direction; and who would deny that it is due, in part, to increasing lack of discipline? Provision must be made for those people in society who obey neither the laws of God nor the laws of man.

It is recognized that it is necessary for society to impose its laws, just as it is necessary to retain capital punishment, at least on the statute books, to be employed in extreme cases for persons who commit so terrible a crime as murder. Although the trend to permissiveness and to lack of adequate discipline in the case of children has accelerated in years gone by, society is now acknowledging the great fallacy of that not so long ago age, and once discarded disciplinary measures as well as self-discipline will again return to the scene.

The true spirit of Easter, to be sure, Mr. Speaker, cannot be interpreted as favouring further laxness in a society where the criminal is molly-coddled, while the victim himself, by comparison, is almost totally rejected and forgotten. Nor can it be defined as meaning or even remotely inferring that society should eliminate its courts of justice set up to maintain law and order, peace and security.

I have been asked why I favour the use of the death penalty. For certain types of crimes I believe it is indispensable. For example, a federal prison in the United States has had custody of a man sentenced to life imprisonment who, since he has been in prison, has committed three more murders on three separate occasions, both of prison guards and inmates. There is no further punishment he can receive. In effect, he has a licence to murder.

• (1630)

Let us take another case. When a man is threatened with life imprisonment for a crime he has already committed, what reason has he not to kill the arresting officer in an attempt to escape? His punishment would be the same anyhow. In short, there are many cases where the death penalty is the only penalty available that could possibly deter.

I will go a step further. I hold life to be very sacred, and because I hold it sacred I feel that anyone who takes someone else's life in a premeditated, cold-blooded fashion should know that thereby he forsakes his own and should not just suffer the inconvenience of being put in prison for a short time. Could the same effect be achieved by putting the criminal in prison for life? At the present time, life imprisonment means anything from a few months to a few years. Even if it were real life imprisonment—and I dealt with this in the survey—its deterrent effect will never be as great as that of the death penalty. The death penalty is the only irrevocable penalty and because of that it is the one that people fear the most; and because it is feared the most, it is the one that is most likely to deter.

Authorities seem to differ on whether the death sentence really does deter crime. Usually the statistics quoted were compiled more than ten years ago and seem to indicate that the absence or presence of the death penalty makes no difference in the murder rate. However, in the last ten years there have been additional investigations. The results indicate, according to Isaac Ehrlich's recent article in the *American Economic Review*, that over the period 1933 to 1969 an additional execution per year may have resulted, on the average, in seven or eight fewer murders.

In New York, in the last six years, the murder rate went up by 60 per cent. Prior to the abolition of the death penalty in that state, about 80 per cent of all murders committeed there were so-called crimes of passion, defined as crimes in which the victim and the murderer were in some way involved with each other. Right now, only 50 per cent of all murders in New York are crimes of passion. As long as the death penalty existed, largely only people in the grip of passion could not be deterred by threat of the death penalty. Now that there is no death penalty, people who previously were deterred, who are not in the grip of passion, are no longer deterred from committing murder for the sake of gain. Murder is no longer an irrational act, least of all for juveniles for whom it means, at most, a few months of inconvenience.

Even if you assume the evidence for the deterrent effect of the death penalty is not clear, you have two risks. If you impose the death penalty and it does not have an additional deterrent effect, you have possibly lost the life of a convicted murderer without adding to deterrence, and thereby sparing future victims. If you fail to execute the convicted murderer and execution would have had an additional deterrent effect, you have failed to spare the lives of a number of future victims. Between the two risks I would much rather execute the convicted murderer, a man who premeditated, planned the killing and went

ahead and did it, than risk the lives of innocent people who could have been saved.

The death penalty is irrevocable once it is imposed. This makes it a different penalty. This is why it should be used when the crime is different—so heinous and socially dangerous as to call for this extreme measure. When you kill a man with premeditation, you do something very different from stealing from him, and I think the punishment should be appropriate. I favour the death penalty as a matter of justice and human dignity, even apart from deterrence. The penalty must be appropriate to the seriousness of the crime.

Our system of punishment is based not just on deterrence but also on what is called justice, namely, that we feel a man who has committed a crime must be punished in proportion to the seriousness of the crime. Since the crime that takes a life is irrevocable, so must be the punishment.

All religions that I am aware of feel that human life is sacred and that its sacredness must be enforced by depriving of life anyone who deprives another person of life. Once we make it clear to a person that if he deprives someone else of life he will suffer only minor inconvenience, we cheapen human life. I suggest we are at that point today.

Many people argue that the death penalty is legalized murder because it inflicts on the criminal the same situation that he inflicted on his victim, yet most punishments inflict on a criminal what he inflicted on the victim. The difference between the punishment and the crime is that one is a legal sanction, or measure of society, and the other is not. As for brutalizing, I think that people are more brutalized by their daily TV fare. At any rate, people are not so much brutalized by punishment as they are brutalized by our failure seriously to punish brutal acts.

Many times my colleagues here in the House of Commons have quoted Edmund Burke. I, too, believe in his words, that each member of parliament must make up his own mind. I have made up my own mind and I do not shirk this responsibility. I embrace it wholeheartedly. I am responsible, and history will record and judge my decision. I do not apologize for my decision, nor do I hide behind a survey of any sort. I stand before you, my colleagues, before the citizens of my constituency of St. Catharines—yes, before the people of Canada and before my God—and declare here that I will vote for the retention of capital punishment.

Mrs. Holt: Mr. Speaker, I rise on a point of order. First of all, I should like to welcome back the hon. member for Winnipeg North Centre (Mr. Knowles). I want to point out—

Mr. Paproski: On the same point of order, Mr. Speaker, I should like to bring to your attention the fact that there have been committee meetings this afternoon—

Some hon. Members: Order.

An hon. Member: One at a time.

Mr. Paproski: This is the kind of nonsense we don't need from the hon. member for Vancouver-Kingsway (Mrs. Holt). There have been committee meetings this afternoon—

Some hon. Members: Order.

Mr. Deputy Speaker: We should take one point of order at a time.

Mrs. Holt: You don't know what I am going to say.

Mr. Paproski: We do know what you are going to say.

Mrs. Holt: I know there were committee meetings, but I was at the committee meetings when this House was closed down by the hon. member for Winnipeg North Centre, and I should like to point out, for the record, that he was the only member sitting there during this serious debate and there was a period when not one of those hon. members was there.

Some hon. Members: Oh, oh!

Mr. Deputy Speaker: Order, please. I am sure the hon. member will agree with me that such interventions are not helping the debate and not helping the progress of this House.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. It is that the hon. member for Vancouver-Kingsway (Mrs. Holt) has no right to say that she welcomes me back. I have been in my place all afternoon, except for a few minutes when I think I had the right to leave the House.

Some hon. Members: Hear, hear!

Mr. Peter P. Masniuk (Portage): Mr. Speaker in the past I have indicated my pleasure in taking part in the debates of this House. However, this is a debate quite unlike any of the others. Nothing else we will ever debate here could be as grave or as serious as that which now concerns us, namely, the issue of capital punishment. The things which I intend to say today will, for me, be among the most difficult things I shall ever say at any time; but I feel they must be said. Unlike some previous occasions, however, it will not be particularly pleasurable to stand here today and argue against the government's Bill C-84 and in favour of capital punishment. I, very deeply and sincerely, believe that capital punishment should be part of any just system of law, and today I will try to explain some of the reasons I am a retentionist and why I believe as I do.

I know it is intellectually unfashionable to be a retentionist. The feeling that sometimes capital punishment—execution—is the only right and just way to deal with certain criminals bothers intellectuals. This feeling does not fit neatly into their computers and it is not compatible with their flow charts, diagrams and neat tables of statistics. The irrational actions of a murderer who goes on a rampage and slaughters innocent people greatly upsets the ordered and logical world of these intellectuals. Well, Mr. Speaker, I certainly have never claimed to be an intellectual, but maybe someone like myself is closer to the thinking and feeling of many ordinary Canadians than are all the intellectuals.

● (1640)

The argument of those who are against capital punishment is that it does not prevent murder. I do not think this can be either proved or disproved. The abolitionists claim that a comparison of states with capital punishment to those without shows no difference in the murder rate. The trouble with these comparisons, Mr. Speaker, is that they really are not comparisons at all, because they all involve countries of the western world. The fact is that no country in the western world today actually practices capital punishment. Some have abolished it in law, and some have not; but in practice, all countries of the western world—with the possible exception of some states in Africa—are abolitionist. Surely we are not so naive that we do not think murderers are aware of this fact. James O. Wilson, a professor of government at Harvard University, writing in the New York *Times Magazine* on October 28, 1973, stated:

> There is no way of knowing what the effect of capital punishment would have been in the last decade or two if more convicted murderers had in fact paid the death penalty.

I am suspicious of statistics because I do not think they necessarily prove anything one way or another. However, having said that, and exercising appropriate caution, a look at the murder rate and the attempted murder rate in Canada during the last 20 years or so is very revealing. Statistics Canada figures indicate that in 1955 the murder rate in Canada, per 100,000 population, was .9. That is slightly less than one person per every 100,000. Six years later, in 1961, it had risen to 1.2 per 100,000. By 1967 it had risen to 1.8 per 100,000. The increase in the six-year period from 1961 to 1967 was exactly double that of the increase in the previous six-year period from 1955 to 1961.

This rate of increase was maintained, and increased slightly during the next seven-year period. In 1974, according to Statistics Canada, the murder rate per 100,000 population was 2.6. The actual number of murders committed in Canada in each of these years was: in 1955, 118; in 1961, 185; in 1967, 282; in 1974, 539. In other words, during about a 20-year period the number of murders committed in Canada showed almost a fivefold increase.

The figures for attempted murders in Canada are even more startling. For instance, in 1961 there were 74 attempted murders in Canada, a ratio of .5 per 100,000 population. In 1967 there were 139 attempted murders, a ratio of .9 per 100,000 population. In 1974 there were 524 attempted murders, a ratio of 2.3. So in a 13-year period from 1961 to 1974, the actual number of attempted murders in Canada increased almost eight times. It is interesting, I think, that this increase should take place almost exactly during the period following the point when capital punishment in Canada was abolished—in fact, if not in law, the year 1962, the last year anyone was executed in Canada.

I am not trying to suggest, by these figures, Mr. Speaker, that if we had had capital punishment during the last 15 years the murder rate and the attempted murder rate would have been any lower. It may have been; I do not know. No one can prove that it would have been, one way or another. But is it not just possible that it is more than merely coincidence that the number of murders and attempted murders in Canada showed such an increase during that period when capital punishment was not in effect, which has been characterized, as well, by increasingly more relaxed moral values and more and more permissive attitudes toward human behaviour?

Is there really any difference between the attitude of those criminologists and penologists who believe that massive expenditures of money and resources can reform the most incorrigible murderer, and the attitude of those progressive educationalists who believe that children should be allowed to "do their own thing" in our schools and that any sort of order or discipline might stunt their creative growth? Who can deny that violent and bloody crimes among our adult population, vandalism in our schools and delinquency among our children has increased tremendously in the last 15 years? Are we so naïve that we believe adult criminal and juvenile delinquents are not aware of the permissiveness of our society and the soft way it handles wrongdoers?

A Canadian Press story out of Toronto this past winter, which was carried by the Winnipeg *Free Press* on March 18, told of a metropolitan Toronto policeman, staff sergeant Jack Foster, who resigned just two years short of the 30 which he needed for a pension because of the anger and frustration which he felt after watching what was happening in the courts every day. He felt that he just could not remain a policeman and continue to observe it any longer. To quote Sergeant Foster:

> As far as I am concerned, what is happening in the courts is a joke, just like a circus sideshow. The young people coming before the courts are treating the whole thing as a joke. They leave there laughing.

Mr. Speaker, maybe I am old-fashioned, but I do believe that there are moral absolutes, that there are things which are right and things which are wrong. There are still behaviours which a moral and just society must find unacceptable, and those who wrongfully and wilfully commit these actions are criminals and must be treated as such. Of course, this is today a very unfashionable attitude. The concept of evil as an absolute has gone out of fashion, the same as has the concept of absolute virtue. There are no saints today, and there are no sinners either. We must be the first society in history not to recognize or want to recognize that there can be bad and evil in men. Criminals today are not bad at all: they are just misunderstood, misguided, underprivileged and unloved! Well, Mr. Speaker, I may be old-fashioned, as I said, but I think some criminals are not any of these things at all. I think they are greedy, selfish, unscrupulous, evil and incredibly dangerous to a peaceful society.

A popular movie a few years ago involved a hunt for a criminal whose particular practice was kidnapping and then killing his hostage. This had happened on three or four separate occasions and the police had not been able to apprehend him. The hero of the picture voiced the opinion that the killer would likely do the same thing again within the next 24 hours, that there would be another kidnapping and possibly another murder by the killer. The chief of police asked the hero why he thought so, to which the hero replied, "Because he likes it."

Mr. Speaker, the crime of kidnapping and then threatening or killing the hostage has become very familiar to us in Canada during the last few years. So have other hideous and violent crimes. Canadians have become sickened by crimes involving the multiple slaying of young children, crimes involving rape, mutilation and torture killing of the

victims, and crimes in which the victims have been killed just for sport, having been robbed. What is an acceptable way of dealing with these criminals, this type of cancer in our society? Can it be treated any more than much of the cancer of the human body can be treated? Surely we must recognize and accept that at some point the only acceptable way of dealing with some criminals is by cutting them out of society in the way cancer is cut out of the body—by eliminating them, by execution. To me, the issue of capital punishment is essentially one of justice.

First, what is justice and how do we define it? We begin by making a distinction between what is right and what is wrong. A determination of what is right and what is wrong begins with a concept of what is fair. We set up a system of laws in an attempt to provide a reasonable degree of fairness to all members of society. When we set up laws, we must also attach to them a system of penalties for breaking them. This is the only way that the law can be made to work. If there is no penalty for breaking the law, then it is not enforced and it is not a law at all but merely a suggestion or good advice. The law must be enforced if justice is to prevail. Penalties for breaking the law are an affirmation of our belief in the rule of law and of our desire to see that justice is done.

● (1650)

The rule of law, then, requires, to be effective, that when a law is broken and a crime is committed, a penalty must be imposed. A retentionist believes that the penalty for murder must be execution. The abolitionists are troubled by the fact that capital punishment as a penalty for a crime involves killing, and therefore seems contrary to the supreme commandment against killings, and itself contradictory. But, surely, this view is a distortion of both justice and the true meaning of the commandments. Murder is a crime, but so is stealing or kidnapping in our society. How do we deal with them? We imprison kidnappers and impose fines for certain offences involving theft. Does anyone question that this is a fair and just way of dealing with these crimes? We do not classify these penalties as kidnapping and robbery by the state. They are the necessary penalties if the rule of law is to be maintained and justice is to be done. So it is with capital punishment.

One of the things which distinguishes a civilized society from anarchy is that it operates according to the rule of law. The basic tenet of this rule of law in any civilized society is that the most important and precious thing which an individual can possess is his life and that society will act to protect his right to life. The ultimate transgression of this law is for one member of society to deprive another member of his life, to commit murder. It is the murderer who makes the choice. By his act of murder he has chosen to remove himself from that society of which he was a part, to remove himself from its civilization and its humanity. His act of murder has forfeited his membership in that society. It then becomes the necessary duty of society to pronounce upon the ultimate transgression of its own laws by one of its members, if the society has any meaning at all and membership in it has any value. The killer brutalizes by his actions. He indicates that he has become less than that which society demands of him. The convicted killer has, by his actions, proven himself unworthy to be part of a society which believes, above all else, in the sanctity of human life.

Some abolitionists are opposed to capital punishment because to them it seems like nothing more than a vengeful and barbaric "eye for an eye and tooth for a tooth" type of justice. It is nothing of the sort. It is merely an attempt to make the punishment the equivalent of the crime. The penalty must be equal to the offence or else it fails to be fair an just. The symbolic representation of justice is that of a blindfolded woman holding a sword in one hand and scales in the other. The blindfold represents the impartiality of justice, and the scales indicate that justice must be even-handed, with the award or penalty equal to the offence.

What is the right and the just way to treat some of the murderous criminals who confront us today? What is justice for a mass slayer of children, an airplane saboteur whose actions are directly responsible for the hideous death of perhaps hundreds of people, a sadist who tortures to death his victims, a robber who purposelessly kills his victims? Is imprisonment really justice for these criminals? Their victims cry out for justice, and we fail them. We reject the justice of the ancients as primitive and brutal. We want to be modern and sophisticated in our approach to crime, but in so doing we fail terribly in respect of justice. The result is that our society today is more brutal and primitive than anything imagined by the ancients.

Among ordinary people there is, today, a mood of anxiety and quiet desperation as they observe and are aware of a justice system which cares more for the welfare of the criminal than it does for that of the victims. Thousands of dollars are spent to maintain and keep the criminals, and nothing is done for their widows and victims. Do we not think that the ordinary person, is aware of this? He feels betrayed and acts to try to defend and avenge himself.

In our big cities, taxi drivers are held up and robbed with increasing regularity. In United States cities, taxi drivers carry guns under the front seat. I do not know if any in Canada do yet, but how long will it be before they start doing so? Storekeepers install elaborate burglary systems in their stores. The attendants at all-night gasoline stations sit in bullet-proof glass booths and do not carry any change after regular hours. I understand that in the city of Detroit the attendants even wear revolvers in an attempt to prevent hold-ups. Bus drivers are forbidden to sell tickets so that they will not have to carry any money and thereby invite robbery. Women take courses in self-defence because they despair of receiving justice before the courts of law if they survive an attack. Yet we have criminology experts like Dr. Fattah of Simon Fraser University who have the gall and effrontery to lecture Canadians and tell us that we do not have the right attitudes towards criminals.

The abolitionists argue that capital punishment is cruel and unmerciful. They do not feel that any murderer should be executed. But mercy cannot be considered in isolation from truth and justice. To commute the death sentence for one murderer may be extending deserved mercy, but to extend this type of mercy to all thugs and murderers is to throw pearls before swine. We are moral beings accountable for our actions. If we dispense forgiveness and mercy

in wholesale lots to those who have not earned it by repentance, then we cheapen both mercy and justice. We offend God's law, rather than act in accordance with it. The Bible teaches us that God is a merciful God, but it teaches us that he is first of all a just God. The Bible has a lot to say about life, mercy and forgiveness, but it never questions the essential justice of execution for murder. Again and again it reiterates what the consequences of murder are: "He that smiteth a man, so that he die, shall be surely put to death". Also, "and they that take the sword, shall perish with the sword"; "whoso sheddeth man's blood, by man shall his blood be shed". In Acts 25:11, the Apostle Paul said:

If then I am a criminal, and have committed anything for which I deserve to die, I do not beg off and seek to escape death.

What the ancient societies knew and accepted, today we doubt and deny, and in so doing we have abdicated justice. Capital punishment is horrible, of course it is, and who can deny it. But is not the nature of all punishment horrible? No penalty can be both sophisticated and effective at the same time, but that does not make it any less necessary or just. To abolish it is to sacrifice the element of justice inherent in it, to be weak when we should be strong, to lack the courage that is required by our convictions of what is just and right.

Mr. Deputy Speaker: Order, please. I have to interrupt the hon. member, it being five o'clock.

Mr. Masniuk: Mr. Speaker, may I continue for another minute and a half and complete my speech?

Mr. Deputy Speaker: Does the House allow the hon. member to complete his remarks?

Some hon. Members: Agreed.

Mr. Masniuk: I thank hon. members for their courtesy. I have only a few more comments to make. We live in a society which operates on the rule of law, as I have stated, and one of the basic tenets of both God's law and man's law is that human life is precious and important, the most precious of all human possessions. What is just penalty for the murderer who kills another, who deprives another being of his life, if not the forfeiture of his own? To require any less is to say that we do not really believe in justice, nor do we really believe that life is all that precious. Capital punishment for murder affirms our belief in justice and declares, in unequivocal terms, how important we regard life when we require that one who deprives another person of his life should thereby forfeit his own right to live.

● (1700)

We either live in a society where justice prevails, or we live in a society which without justice is not worth living in at all, because if there is no justice then life has no meaning. We either believe in the value of human life and are willing to affirm that belief by executing murderers, or we indicate, by failing to affirm this belief by not executing murderers, that life is both valueless and meaningless. I choose to live in a society in which justice does prevail and in which life does have meaning. I desire a society which has the courage to affirm its belief in justice and the importance of human life, and therefore I am unable to support this abolitionist, government bill.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for High Park-Humber Valley (Mr. Jelinek)—Sports—Reason for alleged double standard in dealing with South Africa; the hon. member for Simcoe North (Mr. Rynard)—Health—Measures to protect visitors to Olympic Games against polio—possible use of Sabin oral vaccine; the hon. member for Nickel Belt (Mr. Rodriguez)—External Affairs—Mining nickel from seabed—Involvement of workers in developing strategy for negotiations—Position taken by INCO.

It being five o'clock, pursuant to order made on Friday, February 27, 1976, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, private bills and notices of motion.

PRIVATE MEMBERS' PUBLIC BILLS

[*English*]

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I rise on a point of order. It has been agreed through the usual channels that subject to a subsequent challenge today we are to deal with order No. 44 on page 32 of last Monday's order paper, that is, Bill C-244 standing in the name of the hon. member for Toronto-Lakeshore (Mr. Robinson).

Mr. Paproski: That is so agreed, with the usual challenge.

Mr. Hal Herbert (Vaudreuil): Mr. Speaker, yesterday when I rose at this time on a point of order you indicated that you would take the matter under advisement. I gave notice at that time that I would rise today to amplify and complete my argument to attempt to illustrate that we are not following the intent of the Standing Orders of this House or that, at best, those Standing Orders are being misinterpreted. Let me say at the outset that my point of order is in no way intended to reflect on the subject matter of today's private members' hour or, for that matter, on the subject matter selected for any previous private members' hour. The point of order refers to the treatment or disposal of the bills or orders which precede on the order paper the item which is called for debate.

With reference to the remarks of the Parliamentary Secretary to the President of the Privy Council (Mr. Blais) yesterday, the suggestion was that this was the first complaint and that prior to making my comments I should have advised him. For his benefit, may I say that I have risen several times during this session on the same subject. Earlier in the session he will read on the order paper that an item of private members' business was, by unanimous consent, allowed to stand and retain its position. Resulting from my interventions at that time, the wording on the order paper has been changed. In addition, a sheet is distributed to hon. members indicating the business which is likely to be called in private members' hours. The sheet generally arrives late in the week after one or two private members' hours have passed. The sheet is not available to the public, which might be taking an interest in House business.

For this point of order today I can use almost any recent private members' hour, but for emphasis I will use the particular day which best illustrates the ridiculous position into which we are putting ourselves, the thirteenth day of last month. On that day the item called was No. 112 on the list of public bills. It is interesting to note that this particular bill was preceded by public bills sponsored by 28 different hon. members of this House. Several of those hon. members has more than one bill on the list.

The hon. member who is moving the bill listed for debate today has a total of ten bills listed prior to the one which was called for debate. The hon. member who moved his public bill that day himself had four other bills listed before the one which was called. All these bills, including those of the hon. member who spoke that day, retained their position on the order paper. Yesterday the hon. member for Kenora-Rainy River (Mr. Reid), an acknowledged expert on House procedures, said:

> Mr. Speaker, I just want to say that I do not believe the government should have the right to dictate what takes place in private members' hours. That is the right of the private member. If private members choose not to have their business come forward, that is their right. I do not believe the government should impose on the House of Commons what is to be taken up in private members' hours—

If I may—as everyone else does—I will quote an extract from Beauchesne's. I am quoting from citation No. 87 which reads as follows:

> When an order of the day has been read, it must thereupon be proceeded with, appointed for a future day, or discharged.

Mr. Speaker, on April 25 of last year, if I may quote Your Honour, you said the following:

> The hon. member has the right to raise this point of order again. I should like to refer him to standing Order 18(1) which reads:
>
> "All items standing on the orders of the day, except government orders, shall be taken up according to the precedence assigned to each on the order paper."
>
> By the rule books this means that the House should call item by item those that appear on the order paper. The only problem is that if they are not proceeded with they go down to the end of the list, and the hon. member directly concerned loses his turn.
>
> If the hon. member does not give unanimous consent I will call each of the bills on the order paper, one by one.

I suggest that if we had followed that procedure on April 25, 1975, we would have run out of time before the debate had started on the particular bill in question. I have one further quotation which was a ruling by Mr. Speaker on May 2, 1975:

> The first—
>
> Referring to two comments.
>
> —is that the government, as such, really has no particular control over the conduct of private member's business. An indication of consent or otherwise from the government as to the ability of a bill or any other measure to stand and retain its priority is no different from the indication of any other member of the House.

The point I am trying to make—and I find it somewhat difficult; I have to rise many times—is that we must have some prior knowledge of the business which is to be conducted in this House. Under the present procedures, this is an impossibility. It is not only difficult for hon. members, but it is an impossibility for the public, and I think the public is certainly entitled to know what is to be going on in this House in the way of business. The business should be listed on the order paper. We should know what is coming up. That is the precedent which was established in the past.

In view of these additional arguments, Your Honour may wish to take this whole matter under advisement and give a ruling later. Should the Chair rule that I do not have a point of order and if this procedure is to continue, I should then want to point out some of the opportunities which are open to hon. members to make somewhat of a farce of the procedures in private members' hour. I would request the opportunity to present that argument at that time, depending on the ruling and whether the Chair intends to rule on whether this is a point of order at this time.

Mr. Blais: Mr. Speaker, I rise on the same point of order. I do not intend to be very long. I made some remarks yesterday, and I appreciate the intervention of the hon. member for Vaudreuil (Mr. Herbert). His point of view is a very valid one. That is perhaps one of the reasons why the whole matter of private member's business has been referred to a subcommittee of the Standing Committee on Procedure and Organization, so that the matter may be deliberated upon and recommendations made to the House. We are looking forward to some rather draconian changes in procedure.

● (1710)

I take exception to the impression the hon. member for Vaudreuil leaves, however, that the whole matter of private members' business is being influenced by government action. Mr. Speaker, there is no government intervention. The reason I, as parliamentary secretary to the government House leader, may be responsible in some way for the orderliness of private members' business is that we have the administrative facilities. One of the reasons we have such a number of bills that are before those we deal with, in most instances—matters that are allowed to stand—is that effectively we want to provide to all hon. members the opportunity to debate their particular motions. As I pointed out yesterday, there are a number of instances when members cannot be here to debate their bills, and they insist on having the bill remain on the order paper so that it can be deliberated in the future.

As the hon. member for Vaudreuil knows, under the present rules there is a provision where only a certain limited number of bills standing in the order of precedence

can be disposed of in any given session. At the beginning of each session a lot is drawn; a number of bills are drawn out. So when we dispose of 30 items of private members' business in a session, we do very well. Individual members who have had the luck of the draw want to preserve their priority. It was in order to accommodate them that we adopted the procedure we are now following.

Under Standing Order 19 there is provision whereby any order that is called, and with which the hon. member is not ready to proceed for one reason or another, can be stood at the request of the government. That is stipulated by the Standing Order. That was brought into being because of the hon. member for Vaudreuil bringing to the attention of the House basically the point he is making now. Evidently, all members opposite do not share his views. There was an indication by hon. members generally, however, that the procedure which was accepted by the House—namely, that the government express this wish through the parliamentary secretary to have all matters stood—was acceptable to individual members. That is the extent of government intervention: it lends its name to private members who do not wish to have matters debated at the time they are called, but by the same token do not wish to lose their priority. Effectively, we accommodate private members by proceeding in this way.

The hon. member for Vaudreuil has drawn our attention to a situation in which the hon. member for Winnipeg North Centre (Mr. Knowles) was involved when we dealt with Bill C-311 although there were a number of bills preceding it. I agree that in that one instance in the session we abandoned the usual course, which is to review all items in their order of priority, by asking all individuals in that priority whether they wanted their business proceeded with.

The hon. member for Winnipeg North Centre had Bills C-250, C-256, C-260 and C-288 on the list ahead of Bill C-311. He did not wish to proceed with those matters, and we approached him to give him the time that was available because he had precedence. He inquired whether we could deal with Bill C-311. The matter was discussed and I used my discretion—and perhaps I am being attacked now for having done so—in according to a very honourable member of the House the privilege of dealing with an item which, in effect, was not in accordance with the usual procedures that we follow. The matter was disposed of in due course. Was I wrong in exercision that discretion? If I was, I stand to be judged.

All I want to indicate, Mr. Speaker, is that we attempt to provide to hon. members as soon as practicable those items which will be dealt with in the next session, first contacting the individual members who have priority in order to determine whether they will be available and whether they wish to proceed with a particular item of business. Having ensured that a member will be here to debate the item of business, we communicate with the interested parties, including the government. Then we set the matter down and advise all hon. members of the matter that is going to be debated on a given day.

There is a limitation on the amount of time available in which to advise members and the public generally, because of the allocation of government supply days. As you know, Mr. Speaker, a certain number of days are designated for the opposition but they are not determined so far in advance that we know exactly when they will come. Private members' bills, of course, cannot be dealt with on those days. It becomes very difficult for us to advise members what business will be dealt with in private members' hour unless we know when opposition days will be set. Effectively, that puts certain restraints upon us. So we have two very serious limitations as far as giving prior notice. One is ascertaining that private members are ready to proceed, and the other is ascertaining when there is going to be a private members' hour.

Those are my submissions, Mr. Speaker. I think the whole matter can be resolved by the proper application of Standing Order 19(1) which reads as follows:

> Questions put by members and notices of motions, not taken up when called may (upon the request of the government) be allowed to stand and retain their precedence; otherwise they will disappear from the order paper. They may, however, be renewed.

What the government has been doing is giving its consent in accordance with Standing Order 19(1).

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, there is just one facet of this matter on which I should like to say a word or two, and I had intended to do that before I was dragged into this debate by the references from across the floor. May I simply say, with respect to that bill of mine far down the list that was allowed on April 13, that the information communicated to me at that time was that nobody with a bill ahead of mine was prepared to go, and I was. I also point out that on two occasions when I was allowed time for that bill, I surrendered it. On one occasion it was so that we could deal with the prisoner of war legislation, and on another occasion it was so that the Prime Minister (Mr. Trudeau) could make his statement with respect to the patriation of the British North America Act.

The one point about which I should like to say a word is that raised by the hon. member for Vaudreuil (Mr. Herbert) and also by the hon. member for Kenora-Rainy River (Mr. Reid) the other day; that is, the use of the phrase which appears in the order paper repeatedly, "allowed to stand at the request of the government". The Parliamentary Secretary to the President of the Privy Council (Mr. Blais) has pointed out quite clearly that this is just a device. Actually, what happens is that the member requests that his bill stand, but since the rule book says it has to be done at the request of the government, he asks the government to do it. The government makes the request, and the matter stands.

I join with the parliamentary secretary in welcoming the fact that this whole matter is in the hands of a subcommittee of the Standing Committee on Procedure and Organization. I hope this aspect of it will be sorted out so that we do not use this phrase which means something other than what we really mean. What happens is that a member requests that his bill stands, but it appears in the record as though the government requested it, and that enables the hon. member for Kenora-Rainy River to say that somehow the government is interfering with private members' business.

If I may recall those ancient days when I first came here, the rule was a little different. In those days a matter could stand once, but the second time it was called—and I think

the hon. member for Vaudreuil might like this proposal—it was dropped unless there was unanimous consent for it to stay on the order paper. The change from that practice, that is, to having the government request it, was to get around the fact that sometimes some mean persons would not give their consent. I want to express the hope that a way can be found so that in reasonable cases bills can be allowed to stand; but it should be made clear that this has been done at the request of the member himself, so that it does not seem as if the government has the entire say about the matter.

● (1720)

Mr. Herbert: Mr. Speaker, the last two interventions require some comment. If I may answer the comments of the hon. member for Winnipeg North Centre concerning the members who preceded him on the particular day in question, I point out—this is not in any way meant to be personal—that I had three bills which preceded the particular bill called, and considered each of them important enough to bring before the House if given the opportunity. I mention this only as I assume that several of the other 28 members may be in the same position.

Mr. Knowles (Winnipeg North Centre): But I was told nobody else was ready.

Mr. Herbert: That is correct. The subject raised that day was the same subject being discussed on the floor of the House under government orders. In other words, I assume it would have been possible for the hon. member to raise his matter in the form of an amendment to the government bill actually under discussion that day, a bill to do with the Citizenship Act. The point is that many of us were most interested in the subject and would have welcomed, if we had known about it, the opportunity to participate in the private member's debate that day.

May I deal with the comments of the parliamentary secretary who referred to Standing Order 19(1). That part of the Standing Order which he quoted says, "Questions put by members and notices of motions . . ." He did not read the words "public bills." That point was referred to by the Acting Speaker on April 14, as reported in *Hansard*. As I have already pointed out, after the intervention of April 14 by the Acting Speaker, and that of April 25 by Mr. Deputy Speaker—yourself, sir—Mr. Speaker himself made a ruling on May 2. In the circumstances, I do not think we should heed the argument of the parliamentary secretary with regard to Standing Order 19.

Mr. Knowles (Winnipeg North Centre): Seriously, should the hon. member not consider the provisions of Standing Order 19(2) which reads in part:

> Orders not proceeded with when called, upon the like request, may be allowed to stand . . .

The difficulty, it seems to me, is that Standing Order 19(2) puts bills in the same category as questions and notices of motions.

Mr. Herbert: Mr. Speaker, the parliamentary secretary read, and I quoted, part of Standing Order 19(1). I refer hon. members to the proceedings of April 14 during which there was reference to the whole of Standing Order 19. Despite what was said, Mr. Speaker ruled as he did on May 2.

Mr. Deputy Speaker: Order, please. I thank hon. members for their contributions. I am not sure what kind of conclusion will flow from the matter I am about to bring to the attention of the House at this time.

The point the hon. member for Vaudreuil (Mr. Herbert) raised seems to be based on his contention that the House is not following the intent of the Standing Order, or is incorrectly interpreting Standing Orders 18 and 19 to which he referred. To prove his point, the hon. member referred particularly to what happened on April 13 last when the House considered item 112 under public bills. He brought to the attention of the House the fact that the hon. member who had moved, as sponsor, the public bill that day himself had three or four other bills listed on the order paper which preceded the one called and were stood at the request of the government.

He also, in my opinion, referred to an occasion on which the House proceeded by unanimous consent. I am not sure if he meant that day, April 13, or another day. In any case, I remember one occasion when the hon. member raised the question but did not thereby really further his argument. He complained about the procedure being followed but gave the Chair the impression that he was ready to let the House proceed without forcing the Chair to make a decision.

Today the hon. member referred to citation 87, page 81, of Beauchesne's fourth edition. The last sentence of citation 87(1) reads:

> When an order of the day has been read, it must thereupon be proceeded with, appointed for a future day, or discharged.

To support his argument, the hon. member contends that hon. members ought to know in advance the order of business and that even the public should have prior knowledge of the business of the House of Commons, if I may use his own words. I say to the hon. member that the Chair can only interpret the existing Standing Order even though the Chair may approve the principle he is putting forward. The Chair must first look at the standing order and then decide if the practices of the past conform with the Standing Order. I think Standing Order 18(1) and all of Standing Order 19 ought to be read into the record so that they can readily be referred to if a decision must be made later.

Standing Order 18(1) reads:

> All items standing on the orders of the day, except government orders, shall be taken up according to the precedence assigned to each on the order paper.

Standing Order 19(1) reads:

> Questions put by members and notices of motions, not taken up when called may (upon the request of the government) be allowed to stand and retain their precedence; otherwise they will disappear from the order paper. They may, however, be renewed.

Standing Order 19(2) reads:

> Orders not proceeded with when called, upon the like request, may be allowed to stand retaining their precedence; otherwise they shall be dropped and be placed on the order paper for the next sitting after those of the same class at a similar stage.

The hon. member at this time asks the Chair to determine if the government is entitled, without consulting all hon. members of the House, to interfere as it wishes with

the order of House business during private members' hour. In my opinion, the difficulty stems from the words "All items . . . taken up according to . . ." The hon. member suggests that all items except government orders, should be considered according to precedence, or as they are listed on the order paper. On this, I suppose, all hon. members agree. But the main question is whether the government has power to request, without consulting hon. members, that an order shall be stood. Having read Standing Order 19(2), I conclude that the only person—or the only institution, if you like—which has the right to request that an order shall stand is the government.

● (1730)

In my opinion the Standing Order, it must have been put there for the same reason put forward by the parliamentary secretary. He suggested that it is the responsibility of the House leader to try to plan the work of the House for days in advance. He must give notice to other hon. members as to what day there will be a private members' hour or what order of the day will be taken.

The hon. member is asking the Chair to solve a problem that exists between the hon. member or other hon. members and the government or members of the House of Commons.

The Standing Order allows an order of the House to be stood at the request of the government. Only the government can make that request, but it is for the House to decide. Therefore the question is in what way the House should decide. This is the difficulty I have to resolve. Possibly this point should be taken under advisement.

If I decided to apply Standing Order 19(2) strictly and forget about any agreement that might exist between the Parliamentary Secretary to the President of the Privy Council (Mr. Blais) or any other member of the government and other hon. members or parties as to the order of business for private members' hour, and forgot about the distribution of lists of private members' business which have been initiated in recent months, and in which the Chair is not involved, I should at this time call every order, one by one. If hon. members do not accept the request of the government to stand each of the orders, the Chair must decide whether that supersedes the right of the government. I would have to decide whether to put the question with regard to whether the order should be stood every time. This would involve valuable time being lost to private members' hour.

The suggestion was made by the parliamentary secretary, and even more strongly by the hon. member for Winnipeg North Centre (Mr. Knowles), that the whole matter be considered by the sub-committee on procedure and organization which has been formed to look into private members' business. That is a valid suggestion. I feel this is better than asking the Chair to make a decision on a Standing Order which is not clear as to the procedure of disposing of that difficulty, thus, how should the House refuse to stand any private member's item of business.

Without minimizing the right of the hon. member to express his point of view on the organization of private members' business and his right, and that of other members, to have more input into the order of business during private members' hour, I feel we should leave it at that. I am still prepared to take the matter under advisement. However, I would prefer the sub-committee on procedure and organization to study the matter and possibly design a Standing Order that is more precise and satisfies hon. members of the House.

[Mr. Deputy Speaker.]

Mr. Herbert: Agreed, Mr. Speaker.

Mr. Deputy Speaker: Am I to conclude that the hon. member is agreeing that the matter should be examined by the sub-committee on procedure and organization and at the same time he is consenting to the standing of all orders before No. 44, and that we can proceed at the request of the government to stand these orders?

Mr. Herbert: That is correct, Mr. Speaker.

* * *

INTEREST ACT

AMENDMENT RESPECTING REDEMPTION OF MORTGAGES

Mr. W. Kenneth Robinson (Toronto-Lakeshore) moved that Bill C-244, to amend the Interest Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, I trust that there is enough time remaining in private members' hour for me to put on record some of the notes I have on this matter. I will not speak too long in order that my bill will have a chance of being sent to committee.

The purpose of Bill C-244, as spelled out in the explanatory note, is to enable a mortgagor to redeem a mortgage by paying the amount of principal and interest then due, plus three months further interest. In this way unscrupulous mortgagees will be deterred from introducing excessively severe penalty clauses in small print. This is the specific and narrow purpose of my bill, which in short would stop pre-payment penalties that range from three months interest and upward.

However, the broader and more important reason for going ahead with Bill C-244 this afternoon is to provide members with at least an hour—of course on this occasion we will not have that much time—or hopefully more time if hon. members should decide the bill or subject matter should be sent to committee, to discuss from the borrower's side some of the smaller aspects of mortgages which are often overlooked when discussing the fundamental problem of interest rates.

I am viewing this from the borrower's point of view, for which I make no apologies, Mr. Speaker. The large lenders—the banks, trust companies and insurance companies—have always had the resources and expertise to argue their case more than adequately. Indeed within the wide parameter of the law they have, to a large degree, been able to write many of the rules. These institutions have a large and powerful voice when arguing for changes which would be to their benefit, or against those to their detriment. Granted, financial institutions are in business to make profit, but the nature of the business, considering the security they demand, leaves them the minimum of risk, virtually in a "no loss position". If chartered banks and

other lending institutions were experiencing financial difficulties, one could be more sympathetic. However, this is not the case. On the contrary, their profits are almost embarrassingly high.

The borrower, for his part, is just one individual who has really little or no say about the conditions of the mortgage. Oh yes, he may shop around, but this assumes that there are some real differences between mortgages offered, which may or may not be the case; also, he must possess a good knowledge of mortgages, which most do not have, only about 15 to 20 per cent of the population do so, and he must have the financial resources to pick and choose. For many people they must accept any mortgage they can get.

If we look at the borrower as a consumer, which he is, he may very well be the least knowledgeable, have the most limited choice of options, be the poorest organized and, in short, have the weakest bargaining position of any consumer in the country, and all this in relation to a product which normally will be the largest and most important investment in an individual's lifetime.

● (1740)

The mortgage market field cannot be considered a free market system like others. Not only is the commodity just too important and basic, but the relative strength between the buyers and sellers is simply too one-sided in favour of the lenders. For this reason government must be more than just a neutral, non-biased umpire. It must play an active role in strengthening the hand of the borrower or, conversely, limiting the power of the lender. I feel the excessively high pre-payment penalties are one such area in which it should act.

In my mind the whole concept of penalties for pre-payment of mortgages is questionable, but I can see some justification in the case where mortgage rates have dropped significantly and the lender may have difficulty finding another mortgagor. There may be some justification in that sort of situation, but that is virtually the direct opposite of the prevalent mortgage market today.

Take a situation where John Doe obtained a five year term mortgage in 1973 for, let us say, a 9 per cent interest rate, and today his rich Aunt Sadie leaves him $50,000, or he wins some lottery or whatever. Anyway, he has enough money to pay off the principal and interest due on the mortgage, which he does. Now this is really going to break up the lender. Oh yes, Mr. Speakers, for tomorrow in all likelihood he will lend that money out again to someone else, not at 9 per cent but probably something closer to 12 per cent. And John Doe, for the dastardly deed he has done to the poor lender, must pay a penalty of "x" months interest. This is totally ridiculous. The lender should be the one who pays John Doe a bonus for this kind of pre-payment.

I want to make it clear that although my bill suggests a pre-payment penalty of three months interest, it is just that, a suggestion for a maximum penalty allowed. Indeed I would want to change the bill. Proposed section 10.1 provides:

> Notwithstanding anything contained in this or any other Act, a mortgagor may, during the term of the mortgage, redeem the mortgage for the amount of principal and interest then due, plus three months further interest.

I wish to insert after the word "plus", the words "a maximum of".

I would like to see some flexibility built into this part of the act so that the penalties reflect as much as possible the current mortgage market conditions, including provisions for the payment of bonuses to borrowers when pre-payment is advantageous to the lender. The government must watch carefully to make sure that financial institutions do not use this kind of proposed toughening of the existing regulations and other as an excuse to divert funds from the mortgage field or to opt for shorter term mortgages.

Before concluding, Mr. Speaker, I would like to touch on one other area which is related to the discussion this afternoon, and that is hidden closing costs. Today many lawyers and real estate brokers will advise clients to set aside at least $1,000 to cover these extra fees and pre-paid charges. Anyone who has ever bought a house knows that a broad range of items can show up at the last minute, including such obscure things as loan origination fee, loan discount points, appraisal fee, mortgage insurance application fee, pre-paid interest, pre-paid mortgage insurance premium, closing fee, and so on and so on.

Due to a law which came into effect last year in the United States, American home buyers are no longer surprised—perhaps shocked would be a more appropriate word—by such hidden closing costs. The U.S. Real Estate Settlement Costs Act requires that the buyer be told to the penny how much it will cost to close on a house, exactly what each payment is for, and even what the previous buyer paid for the house if he or she owned it for less than two years. In addition, buyers must be given at least 12 days before they sign the final papers to look over the disclosure forms. If they do not like what they see, they can cancel the deal.

In Canada no such similar legislation exists to help home buyers. While much of what is contained in the U.S. act falls under provincial jurisdiction, I believe the federal government has a certain obligation to try to encourage similar legislation in this country, especially since the real estate and the lending industries do not appear willing to make full disclosure on a voluntary basis.

I hope hon. members may find that these minor problems, minor only in the light of the enormous over-all problems of housing and mortgage rates, are worth a more detailed examination, and as such decide the bill or its subject matter be referred to the Finance, Trade and Economic Affairs Committee of the House of Commons.

I understand from the parliamentary secretary that it is suggested that the bill should not now be read the second time but that the order be discharged, the bill withdrawn, and the subject matter referred to the Standing Committee on Finance, Trade and Economic Affairs. I want to say that I agree with this disposition of my bill and that the subject matter be referred to the committee. It is far better that the subject matter be referred to the committee than that the bill be talked out.

Mr. John Gilbert (Broadview): Mr. Speaker, Bill C-244 is a step in the right direction but it really does not amount to very much. It is like a raindrop in a downpour. I should like through you, Mr. Speaker, to remind the hon. member that it was his government that set afoot the high increases

in interest rates. In fact Canada has the highest interest rates in the world, the highest housing costs in the world, and highest land costs. This is the reputation that his government has earned over the years.

I recall that when we amended the Bank Act in 1967 we opened the floodgates in regard to high interest rates. At that time under the Bank Act there was a ceiling of 6 per cent, but we found that lending institutions, and more especially the banks, would not participate in the mortgage field. What they forced from the government was the taking off of that 6 per cent ceiling on interest rates, and from that time forward we have had ascending interest rates for loans, and more especially mortgage loans, across the country. This is the credit that can be attributed to the Liberal government.

I had just come here in 1965 and I recall how some of the younger members of the party opposite attempted to stop this removal of the ceiling. The Secretary of State (Mr. Faulkner) was one of those who joined Walter Gordon in trying to prevent the taking off of this ceiling, and many other young Liberals also made the same attempt. But the then minister of finance, the present House leader, persuaded them that if they took off the ceiling there would be competition in the business world and that the rates would stabilize, or even go down. That did not happen, and it was the first mistake that the Liberal government made in regard to interest rates.

The second step was when Paul Hellyer in 1969 persuaded the government that mortgages should not be written for 25 year terms but rather five year terms, so as to make adjustments of interest rates in accordance with current trends. This was the price that he had to pay to the financial institution in order to persuade them to put money into mortgages. The result has been that, at the end of every five years of a mortgage term, people experience an increase in their interest rates. Under the old mortgage system the term was 20 or 25 years and the mortgagor had the security of knowing that the interest rate applied for that time.

When the interest rate ceiling was taken off in 1967 there was attached to CMHC mortgages, which were also at a rate of 6 per cent, a formula setting the rate at one per cent or 1½ per cent above the yield on bonds. That gave some control. But Mr. Hellyer was not satisfied with that; he also took off that control. He took off controls with regard to CMHC mortgages, so the combined effect of taking off control on mortgage interest rates and reducing the term from 25 years to five years is, as I say, that we have a reputation in Canada of having the highest interest rates in the world, with the highest land costs, and the highest housing cost. That is why I say that what the hon. member is attempting to do amounts to very little in the big scene regarding interest rates.

● (1750)

I am going to put on record just what interest rates do in respect of housing. I have a few figures here that I carry around in my wallet, because when I speak on housing from time to time it is nice to have a few figures to quote. This is what the hon. member for Winnipeg North Centre (Mr. Knowles) also does with regard to pensions. He has always got information on pensions right in his pocket so he will have ready reference to it. I do the same thing with regard to housing interest rates.

Let me give some figures regarding a mortgage for $25,000 for a term of 25 years at 11 per cent. The monthly payments will be $240.64, and over that 25-year period the borrower will pay $72,192. If that mortgage were at 6 per cent the borrower would pay $159.97 a month and the total amount would be $47,991, a difference of $25,000.

In today's market one knows that a $25,000 mortgage really will not finance a home, and that you have to get up to at least a $40,000 mortgage. On a $40,000 mortgage at 11 per cent a person pays $385.02 per month over a 25-year period, and the total amount that would be paid is $115,506. On a $40,000 mortgage at 6 per cent for 25 years the person pays $255.94 a month for a total of $76,782. In other words the difference between a $40,000 mortgage at 11 per cent and a $40,000 mortgage at 6 per cent over a 25-year term amounts to $39,000. That $39,000 is what the borrower has to pay in difference if he gets a mortgage at 11 per cent as compared to 6 per cent.

In biblical times they used to talk about usury. That is a word that was replete in the Old Testament. We should bring it back today. The word usury should be used many times just to underline to borrowers what is taking place.

Mr. Brewin: Maybe we should make it a capital offence.

Mr. Gilbert: The hon. member for Greenwood (Mr. Brewin) suggests that usury should be a capital offence, and I am inclined to agree with him.

This is the problem with which we are faced. The step the hon. member suggests is a step in the right direction, but it is a very small step toward solving the problem of high interest rates. I know the hon. member is one who is concerned about people. I have known him for a few years. He is a fellow lawyer and I think he is concerned about people. If we are concerned about people we have to be concerned about their housing problems. We have to build affordable houses, as the Minister of State for Urban Affairs (Mr. Danson) suggests. If we are to build affordable houses we must look at interest rates. We must have interest rates which give the borrower a fair chance to pay off his mortgage. The only way this can be done is by having low interest rates. It is up to the government to control interest rates with regard to housing so that people can afford them.

It is up to the Minister of State for Urban Affairs to bring forth legislation which controls financial institutions, banks, mortgage companies, trust companies, and insurance companies so they do not charge unconscionable and usurious interest rates.

In order that the bill is not talked out let me conclude by saying I am in favour of it but, my gracious, it is a very short step with respect to a big problem.

Mr. Art Lee (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I should like to commend the hon. member for Toronto-Lakeshore (Mr. Robinson) for bringing this question of mortgage payments to the attention of the House.

In view of the fact that the government, through the Minister of Consumer and Corporate Affairs (Mr. Mack-

asey), intends to introduce legislation before the end of this session to deal with mortgage rates as one aspect of revised federal consumer credit legislation, the hon. member for Toronto-Lakeshore has kindly consented to have this bill not given second reading at this time, but to have the subject matter referred to the appropriate standing committee for consideration when the committee receives the minister's consumer credit legislation. I am advising the House that my minister concurs in this procedure of referring the subject matter of this bill to the appropriate standing committee at that time.

Among other things, the appropriate committee could examine the possibility that Bill C-244 may have the effect of driving mortgage funds from the market. I am sure all hon. members will agree that we need improved consumer credit legislation, and that is the intention of my minister.

I move, seconded by the hon. member for York Centre (Mr. Kaplan):

That the motion be amended by deleting therefrom all the words after the word "That" and substituting therefor the following:

Bill C-244, An Act to amend the Interest Act, be not now read a second time but that the order be discharged, the bill withdrawn and the subject matter thereof be referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Knowles (Winnipeg North Centre): Carried.

Mr. Deputy Speaker: Hon. members have heard the amendment. Is it the pleasure of the House to adopt the said amendment?

Some hon. Members: Agreed.

Motion as amended, agreed to.

Mr. Deputy Speaker: The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock tonight.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Frank Maine (Wellington): Mr. Speaker, no one will deny that the question of whether or not to abolish capital punishment is the most difficult problem likely to be faced by members of this thirtieth parliament. Few, if any, other issues have attracted as much public attention and concern. Debate in the media has centred not only on whether the use of the death penalty should be ended, but also on how members of parliament should reach their decisions. My mail has also reflected the divergence of opinion which exists on this point, that is, whether a member of parliament should vote according to his conscience or according to the views of the majority of his constituents.

During my election campaign I made it very clear that I am against all forms of killing, whether it be abortion, euthanasia, capital punishment, or war. My opposition to these methods of ending life varies by degree in relation to each of them. For example, I am completely opposed to abortion and would never vote in favour of a freer abortion law, even to the extent that I would put my seat in this House on the line. At the other end of the scale, I would make no such commitment against wars. Although ideally I would like to see an end to war, I do not feel that man has progressed to the point where war is obsolete.

My views on capital punishment fall in between those two extremes. Even though my personal feelings are for abolition, I cannot give a satisfactory answer to the question of the hired killer. In this case capital punishment is not a deterrent. There is no hope for rehabilitation of the criminal, yet society must be protected. I will be able, therefore, to live with a decision either way that is, to retain or abolish the use of capital punishment.

Realizing that I had the responsibility to take a stand on the issue, I was faced with the problem of what that stand should be. I decided to ask my constituents. In support of taking that action, I would like to refer hon. members on both sides of the House to a resolution passed at the National Convention of the Liberal Party of Canada in November, 1975. It was resolved that:

Members of Parliament be encouraged to canvass their constituents' opinions on specific and general policies.

This being a free vote, I feel that we have been given an ideal opportunity to democratize the decision making process in this instance. Certainly it is not practical or proper to survey popular opinion on every question with which we must deal, but on a moral issue of this nature I feel such action is justified and, indeed, essential. The alienation of the electorate from the government is becoming increasingly evident.

Here we have a chance to let the people know that they are being listened to. I campaigned on this theme in 1974, and I still feel that as the representative of my constituents I am here primarily to help enact the legislation that they want. For that reason I circulated a questionnaire to all households in my riding in March of this year. Of the 30,000 delivered, I received 6,008 completed returns, an over 20 per cent response. Any member who has surveyed his constituents will realize that that represents a very satisfactory return, one of the largest known. It also represents a suitable percentage for making a statistically accurate analysis.

In the questionnaire I asked four questions. Taking into account the proposed peace and security measures of Bill C-83, the first question asked whether the respondent favoured the abolition of capital punishment. For the

record, Mr. Speaker, I would like to show that the response to this question, as for the others, remained essentially the same no matter what the questionnaire return level was.

With 3.98 per cent of the questionnaires returned, 73.3 per cent of respondents were opposed to abolition of capital punishment. At the 7.9 per cent level, 72.1 per cent were opposed; at 12.52 per cent, 71.0 per cent were opposed; at 16.93 per cent, 70.5 per cent were opposed; at 18.2 per cent, 70.5 per cent remained opposed, and at the 20.03 per cent level, the final tally, 70.7 per cent of respondents were opposed to abolition. That result shows a clear and overwhelming support for the use of the death penalty.

● (2010)

Question No. 2 asked the 70.7 per cent who answered the first question in favour of capital punishment whether they wanted the death penalty reserved only for murders of police and prison guards. In this instance 86 per cent replied that no, those involved in enforcing the law should not be singled out for special consideration.

My third question asked the same people, those who favour retaining capital punishment, whether the death penalty should be available for use against those persons convicted of first degree murder as it is defined in Bill C-83. Ninety-five per cent replied in favour of capital punishment for that group of murderers.

Finally, I asked if I, as a member of parliament, should vote according to my own conscience on this issue. Sixty-six per cent replied that no, I should not. Therefore while approximately one third of my constituents feel that I should vote according to my conscience, two-thirds, representing a significant majority, feel that I should not, but instead should represent the majority feeling of my riding. I will, therefore, respect the wishes of that majority and not vote according to conscience, but instead will vote against Bill C-84.

As I explained earlier, the capital punishment issue provided an excellent opportunity for the government to seek public support for changing the existing law. Moral issues such as the one we are presently debating arise infrequently. Also there will be a free vote. With this situation, and the fact that two thirds of my constituents feel that I should vote according to the majority opinion, I feel that the government is wrong in not seeking the views of the majority of Canadians, and acting accordingly. Sixty per cent of those people responding to my questionnaire added their comments on the issue, and one comment that was made time and time again was that my constituents were very grateful for the opportunity to have their opinions heard and considered.

Although the deterrent effect of capital punishment has been widely debated, the fact that so many people believe that it is a deterrent should be seriously considered. In the same way as the rule of law will be ineffective unless everyone in society has respect for the law, if most Canadians feel that capital punishment does serve as a deterrent, it would be reasonable to assume that the general acceptance of that principle would lead to its having an effect on the general population. I feel in this instance that the government missed a great opportunity to redress the feeling of alienation now felt by many citizens of this country. The government should listen to the people on questions related to deeply held moral beliefs.

[Mr. Maine.]

[*Translation*]

The Acting Speaker (Mr. Turner): The hon. member for LaSalle.

Mr. Roch La Salle (Joliette): Not for LaSalle, Mr. Speaker, for Joliette.

Mr. Speaker, when you asked me to speak as the member for LaSalle, I thought you meant that the riding of Joliette belongs to LaSalle.

Mr. Speaker, I am aware that we are discussing a basic issue for the future of society. I realize also that this legislation is one of the most serious we ever discussed in the House.

I want to be quite clear and specific in my comments, and I want to say also to those who do not share my opinion, that I deeply respect their views.

I remember having the opportunity to discuss this matter since I arrived in this House in 1968, and I also remember that the debates were very interesting. I wish to say that my decision is final and that I will vote against the bill before us.

The public at large and those who advocate the abolition of capital punishment are often tempted to blame society. In their opinion, society is responsible for everything. I suggest that we have our own responsibilities within society. But the public is concerned and all the attempts made by this government since 1968 have not brought about the security which they are entitled to expect.

I had the opportunity to listen to a few speeches on Bill C-84. I wish to draw the attention of the House on the speech made this afternoon by the hon. member for Saint-Hyacinthe (Mr. Wagner). Of course, others have also made excellent points for or against capital punishment, but I believe that all members of this House would benefit from reading again and again the remarks made by the hon. member for Saint-Hyacinthe. Given his experience, of course, for which I have much respect, he was dealing with a matter which he knows very well. He was able to discuss this matter much better and in a much more enlightened way than I. His comments deserve all my congratulations and I think he destroyed one after the other the arguments put forward by the Solicitor General in introducing this legislation.

When dealing with capital punishment, some people say it is a barbaric method. One must think, nevertheless, of these businessmen, these restaurant owners, these pharmacists or these people who work in banks and who have been unhappily shot down by people who had decided to overlook the respect for somebody else's life to achieve their purposes. I would be inclined, Mr. Speaker, to blame the government for not abiding in the first place, by the legislation now before us.

● (2020)

Like all my colleagues, I know that when we last discussed this matter, we agreed to enforce the death penalty for the murder of prison guards and policemen. Such has not been the case, and I remember, Mr. Speaker. The present Prime Minister (Mr. Trudeau), when he intro-

duced and supported that legislation, made no secret of the fact that he would never enforce the death penalty while he was Prime Minister. Recently, the Solicitor General (Mr. Allmand) made no bones about the possibility of his resignation if his bill was defeated.

Mr. Speaker, when we have a government whose leader says he will not enforce a legislation he tries to sell us, I find that indecent and dishonest. We had democratically voted in this House on a legislation which has not been applied. Of course, some will say that the act gives the cabinet the authority to commute death sentences. But the act also says that capital punishment will apply when a prison guard or a police officer is killed with premeditation, and that has not been done.

Mr. Speaker, I will be very outspoken, this is not a matter of deterrence. Of course, members on all sides have tried to determine whether the implementation of capital punishment had a deterrent effect. As far as I am concerned, Mr. Speaker, it is a matter of justice. Whenever I am reminded of this ever actual commandment "Thou shalt not kill", I would like to point out to the murderers that this commandment should first apply to them and that they should know that whenever they choose, in order to achieve their ends, to get rid of anybody who happens to be in their way they should expect this kind of punishment.

I do not feel I am any worse than anyone else, Mr. Speaker. As far as I am concerned, I think that this is a matter of justice, and in this world of ours, I think we can consider it this way. Of course, there are not only members in the House of Commons but there are people in this world who are most scrupulous when the death penalty is being discussed. Mr. Speaker, should the House decide in favour of the death penalty, those who, in order to achieve their ends, intend to get rid of someone, will think twice before doing so. When one is squeamish about capital punishment, that is soon forgotten in wartime. That question was raised by one of my colleagues here in this House. Nobody hesitates Mr. Speaker, when one's country is at war, to fight and slaughter countless innocents.

Neither the Solicitor General nor anybody else has ever raised the matter of the indirect participation of Canada in the Vietnam war. Very little mention was made of it, Mr. Speaker, yet, I think we might have asked ourselves that question. To what extent have we not participated indirectly in the slaughter of thousands of Vietnamese? But it was interesting for certain industries, Mr. Speaker. Those scruples we have about the bill before us, we did not have them at the time, and I cannot remember the Solicitor General having deplored the indirect participation of Canada in that war. When a severe penalty must, of course, be imposed on that inveterate criminal, on that habitual murderer, on the one who, in order to achieve his purpose, plans to take the life of someone else, then we have scrupules.

Today, Mr. Speaker, with criminologists and psychologists—because I imagine there are a number of them in the office of the Solicitor General—one is tempted to make us believe that there are possibilities of rehabilitation. One is tempted also to say in particular that that always depends on society.

I am one of those who believe that we must improve the social climate and that considering the economic difficulties we are experiencing, this is not likely to reduce the number of robberies. But, Mr. Speaker, that is a long way from making a business out of it and a source of income to live in this earthly world.

Of course we all wish to improve that social climate by different steps. And why would we accept to forgive so easily a minority of people who allow themselves anything while the great majority endures that social climate which is so difficult, tolerates, waits out and still hopes that the situation might improve so as to be able to live decently and thus get an adequate income to allow them to live decently.

There was talk about a free vote. There is no doubt that on this side of the House all my colleagues will vote quite freely and according to their conscience. I have difficulty, Mr. Speaker, accepting that the Prime Minister should have gone as far as saying at one point that he might consider tendering his resignation if Parliament voted in favour of capital punishment. I have just as much difficulty accepting that the Solicitor General responsible for this bill should infer that he could not accept that his bill should not be passed. And how far will hon. government members try to cooperate and support not necessarily the bill but the minister in charge or the Prime Minister? When reference is made to a free vote I must say I have doubts.

Earlier a colleague talked about a certain survey. The survey made by the Metro Toronto Police Association is significant and quite clear. There was a question: Should capital punishment be retained for murders of policemen or guards? If you limit yourself to those categories, the answers are for the most part negative. But when we are asking people whether the death penalty should be retained for any crime, any premeditated crime, 87 per cent of them answer yes.

A few years ago, when the last vote was taken on capital punishment, I conducted like other members, an inquiry in my riding and 88 per cent of my constituents said they were in favour of capital punishment. I did not ask for another poll recently, but, like many other members, I have received my fair share of submissions and comments. It is quite clear that Canadians are in favour of capital punishment for inveterate criminals and those who commit premeditated crimes. That is quite clear. There are some reservations in respect of some forms of crime. When a convicted criminal is involved, the public recommends the application of the death penalty. I also know, as a result of investigations, that the public would be in favour of a referendum on this matter. Not only the Solicitor General but also the government know full well that a referendum on the matter would be decisively in favour of the death penalty in the cases I mentioned a while ago.

We are offered an alternative: 25 years in jail. Mention is made of 15 years in prison, with the possibility of a parole. But it is hard at this point to trust the government proposing such legislation: difficult because of the experiences made with regard to paroles and other practices which the people, generally, did not look upon kindly. Those experiences did not bring, not by a long shot, what the governmnent has hoped. By refusing to apply the act it asked us to

pass a few years ago it also prevents us from trusting it as it hoped. The arguments invoked this afternoon by the hon. member for Saint-Hyacinthe (Mr. Wagner), who is well versed in the matter, demolished one by one the arguments presented by the Solicitor General (Mr. Allmand). If he wants to prove his sincerity, even ever so slightly, I believe he could make comments tomorrow that would be quite contrary to those he made on introducing the bill.

And so, with all the chances of evasion we know, in the case of this 25-year imprisonment penalty, we know very well that the criminal condemned to that term in prison will not hesitate to commit another crime to escape from it. What does 25 years more or less mean when he has been sentenced to 25 years? I do not think that such a proposal is acceptable. A miscarriage of justice has also been mentioned. Of course, I am not a lawyer. I am an average man but I have my views on the matter. And the Solicitor General pointed out more particularly that the poor had an handicap because they could not afford costly defence lawyers as the rich do and were discriminated against from the start.

This is perhaps the best solution. This Parliament could provide the poor with as good a defence as that obtained by the rich. I think it is important to provide the accused with a complete defence which without being perfect would be equal to the defence given to those who can afford the best lawyers. I think Parliament should be responsible for ensuring that any individual benefits from an adequate defence when he is accused of murder.

The member for Saint-Hyacinthe said this afternoon and I have every reason to believe him owing to his experience as a judge, and other lawyers in the House have also stated that the mechanisms of justice were altered, that we had reason to believe that a miscarriage of justice could no longer happen. But to the extent that there is the shadow of a doubt, the enforcement of the death penalty could not be recommend. I think that those comments are commendable. I therefore consider only the well prepared premeditated murder by the criminal who will do anything to achieve his ends, as I said, to remove all those who stand in his way. The same goes for criminals who do not hesitate to get rid of an embarrassing witness in a future trial. I think that we are under the obligation perhaps to be stern but also to be fair. Mr. Speaker, we are also told that hanging is a somewhat savage process. We could come forward with measures or suggestions for some changes in this regard. We could also do away with someone who constitutes a danger for society by administering a pill or giving an injection; let us adopt another method if the rope seems repulsive to some people. It is important to maintain and to resume implementation of the death penalty.

● (2030)

My friend from Hamilton West (Mr. Alexander) in winding up his speech last night insisted that we should all let our minds dwell on life, not on death. I would like my mind to dwell on the life of the innocents victims who were killed by criminals, Mr. Speaker. And like him, I let my mind dwell on life, on the life of those innocent people who, at a certain point in time, because of our parole system or as the result of convicts escaping, have met with the fate we know because we did not apply what I think is needed, and what I consider a measure of justice for the unscrupulous killer.

Of course, Mr. Speaker, I could quote statements and statistics for or against it. When we refer to the possibility that an innocent person may have been hanged, we refuse to add up the number of innocent people who have been killed by those who deserved the death penalty and managed to get away with it by all sorts of means, resumed their criminal activities and killed a number of innocent people. It might be difficult to find out exactly how many such innocent people there have been, but we know very well that if we did add them up, the number would greatly exceed the number of judicial mistakes. Once again, thanks to more modern procedures, judicial mistakes have become virtually impossible, and where the flimsiest shadow of a doubt does exist, we do not recommend the death penalty. And if this government or this Parliament were to give the underprivileged the same defence opportunities as are available to the rich people, I believe that we would eradicate all doubts concerning charges made against anyone.

Mr. Speaker, I do not want to take up too much time, but I would like to say that, in view of the wishes of the majority, this bill is unacceptable if we look at the present situation and the increase in the crime rate throughout Canada. As I live close to metropolitan Montreal, I am aware of what is going on there, and I believe that the situation is serious, with certain reservations concerning these crimes. Several other members have dealt with facts and submitted evidence.

I do not want to repeat all these facts and statistics tonight because others have done so before me, but again, Mr. Speaker, I suggest that we would benefit from going over the speach delivered here by the hon. member for St. Hyacinthe (M. Wagner). He spoke objectively, realistically and from experience, and therefore, I believe that we would benefit from reading this speech so as to truly understand the need and the necessity to apply the death penalty without feeling any less compassion for certain types of criminals and without favoring any less the improvement of our social climate, which could, in itself, reduce the crime rate, and without remaining any less open towards the assistance that we can give these unfortunate people.

Mr. Speaker, in closing, I wishing that true justice may finally be implemented in Canada.

Mr. Eudore Allard (Rimouski): Once again, Mr. Speaker, the House has to study a question which has raised a lot of controversies all over the country, and this for many years. Of course, it is not very interesting to discuss whether we should take the lives of some of our fellow human beings. But a fact remains: each man and each woman has the right to live and when someone dares to threaten deliberately the life of another human being I sincerely think that we do not have to protect his or her life as he or she has not protected that of the other.

Our goal today is to attempt to study this thorny question so that we can make decisions worthy of our civilization. Besides, to my mind, I think that the search for answers, as far as the taking of the lives of some of our fellow human beings is concerned, should be done very

carefully and prudently before considering total abolition of the death penalty, especially at a time when so many horrible crimes are committed.

Mr. Speaker, to abolish the death penalty, as Bill C-84 proposes, is like abandoning the innocent between the hands of the guilty and telling them just this: Listen, murderers, go ahead, do as you please. The law prescribes that nobody can touch you; furthermore, it aims at protecting your lives at the expense of the lives of your victims.

Unfortunately, the bill we are now studying would abolish the death penalty for people convicted of murder and replace the death penalty with life imprisonment. We can also notice that the new arrangements for the application of the death penalty will vary depending whether they concern first degree or second degree murder. First degree murder covers, if I refer to the bill, planned and deliberate murders and contracted murders, that is to say hired killers; the murder of a police officer or that of a prison guard in the course of their duties; murder committed during the hijacking of an aircraft, a kidnapping or certain sexual offences, including rape and attempted rape. As for other murders, for example murders due to jealousy, they are considered second degree murders. Relating to the sentence, individuals of first degree murder will serve a 25 years prison term before being qualified, for the first time, to apply for parole. Whereas individuals convicted of second degree murder will not be qualified to apply for parole before they have served ten years of their sentence. However, in this latter case, the judge will be allowed to extend the minimum period to be served before the inmate can qualify for parole; in this respect, a maximum sentence of 25 years has been provided for in this legislation.

Mr. Speaker, on March 4, 1974, the following appeared in the newspaper *Le Droit*, and I quote:

● (2040)

Is the death penalty better than a life sentence. In this connection, Pat Devlin, a prisoner at the Joyceville penitentiary in Ontario stated: "It is better to impose the death penalty than to imprison an individual for life. The life of a prisoner is a brutalizing experience which cannot be understand by those who have not lived it. Criminals will not be rehabilitated by shutting them up in donjons."

Needless to say, free societies have an unalterable principle that the effect of the law is the same for everyone. From my early childhood, my parents have instilled that law into me. Today, the Solicitor General of Canada in presenting that bill seems to forget that principle since he wants us to accept two categories of murders, as I mentioned a while ago: first, the murder of policemen and guards which could entail a 25-year sentence without parole and, second, the murder of the so-called average citizens which would entail a 10-year sentence without parole. Big deal!

Mr. Speaker, we know that it was this House which decided that capital punishment would be retained in our Criminal Code for premeditated murder of a policeman or a prison guard, and we know that since 1962 there has not been a single hanging in Canada. Then why do we find those provisions in the Criminal Code if not to use them? For my part, I do not see any difference between the well planned murder of a policeman or a bank manager, for instance, or of an ordinary citizen, because the life of any citizen is worth that of a policeman or a prison guard, and we cannot have a law for the rich and another for the poor.

If we retain capital punishment, we must realize that life has no age and that it is valuable to everyone whatever his social rank. I agree with the reasoning of legislators that the policeman—and I know what I am talking about because I have been a policeman myself for several years—has an important part to play in the protection of society and that his role justifies particular attention and protection, but we must not forget that in principle we are all equal under the law.

So, Mr. Speaker, it is not difficult to point out that the Solicitor General made another mistake in proposing Bill C-84 because how can he distinguish between the murder of a policeman and that of an ordinary citizen? Who would dare say that the murderer of a bank manager should have serve only a 15 year sentence? Once again, this bill makes a law for the rich and another for the poor and that seems to me very unfair.

So I believe that most not all members of the House, except, of course, the Solicitor General who dared propose such a bill to the Canadian people, will agree that the murder of a policeman is not different from the murder of any other citizen or a bank manager as I just mentioned.

● (2050)

Will capital punishment be retained or abolished in Canada? That is the question dividing opinions at this time. Some want to retain it to give greater security to society, others want to abolish it because it contradicts somes passages taken from the Bible. I conducted an inquiry recently in my riding, not only among the people I have known for a number of years, but more precisely among the heads of family. As a matter of fact, those who are in favour of reinstating capital punishment represented almost 85 per cent of the whole population. I received more than 1,240 letters and out of that number, over 1,000 were in favour of capital punishment.

Therefore, as we can see, this poll shows how important the question is to the people in the light of the number of murders committed these last few years in the province of Quebec and everywhere else in our country.

As I was saying, some claim that the Bible is against capital punishment, but to them I say this: the authority we personify comes from God. Now, the fact remains that if we base ourselves on the principle that capital punishment is barbaric and unworthy of a civilized era, we automatically deny that divine mandate.

On the other hand, I want to say that I agree that, for the unbeliever, the death penalty is unworthy of man and barbaric because, according to him death leads to naught, but, for me, a believer, my opinion should be entirely different, death being to my mind the passage from one life to another.

Indeed, Mr. Speaker, the God from whom we hold our authority did say:

Thou shalt not kill.

But it would also be fair to add that that same God provided the death penalty for he who would violate the precept. For in Genesis, chapter 9, verse 6, one reads this:

Whoso sheddeth man's blood, by man shall his blood be shed: for in the image of God made he man.

All that they lead into captivity will be lead into captivity; all that they take the sword will perish with the sword.

And I could continue indefinitely, but I simply quote from the texts to make you understand that the Bible is not opposed to capital punishment. Surely, I understand very well that respect for life is not the prerogative of Christians: this principle is good for everyone. In any case, you will agree with me that the Christian principles are not the whim of one religion in particular. But for all these reasons, I consider that the federal government must reinstate capital punishment and that, when the proof is made that the murderer acted deliberately and knowingly, capital punishment must be applied. But I agree that it is sometimes difficult to prove the deliberate character of an act, as it depends on numerous factors, but when crimes are committed with premeditation, capital punishment must be applied.

Since capital punishment is not applied any more, murders are increasing. The criminals know very well that they risk much less. As a matter of fact, it is usually easy to see that lawyers often try to turn a charge of first degree murder into a charge of second degree murder or those who are guilty enjoy the leniency of the Cabinet.

Mr. Speaker, I sincerely think that anyone killing deliberately must pay with his life for a crime so serious that nobody on this earth has a right to make an attempt on the life of his neighbour; and he who does so should be prepared to risk his own life.

If this government manages to have capital punishment abolished once and for all in this country, as they hope, one only has to believe then that the right lies within the power of the individual, that justice favours the strong and that finally strength prevails over law. Before concluding, I would like to point out that we probably are directly responsible for the fact that murderers have become wild beasts. As a matter of fact, several became so after serving long jail sentences and specially after having remained locked up too long because of our egoism.

So these men were compelled to rebel and take the only means available to force society to take care of them. Man lives in a society where there is no perfection because of its institutions, its structure and inequalities which, in time and with the means used, finally make him different from what he was naturally or ideologically meant to be. The sick society in which we live dictates to him a mode of living in a community, it imposes its laws which are derived from general behaviour and at the same time forces on him its ideas which will eventually become means of action that he will avail himself of to voice his protests against society. Then when this man has become aware that he is a robot in this society, a creature as imperfect as society itself, a being quite different from what he intended to be, he cannot do anything concrete to change his situation without being liable to a sanction which will compel him to pay for his wrongdoings, to repair the damage he has done to society.

True, it is important to ask oneself what attitude should be adopted towards murderers. However before we come to this issue, should we not wonder why there are killers, assassins and thieves since it is obvious that one does not turn into a murderer overnight. No, Mr. Speaker, this is caused by our society which advocates permissiveness, and laisser faire. In this respect I would like to quote a few passages from a recent article in *La Presse* signed Suzanne and François Desmarais. I quote:

The deep cause of the rising crime rate, particularly among young people, is the rejection of all moral values.

This generates violence, family break up, free love, the so called sexual "liberation" alcohol and drug addiction. All this has been fostered by the media and magazine industry and by the legislation itself.

And further, Mr. Speaker, it says:

And when they talk of government responsibility, we would say this is the area where it should assert itself primarily. True, we must protect ourselves against an immediate threat but we must also go to the root of the problem and try to bring about the reforms which are required. We let evil go unbridled and now we want to check it with arbitrary laws.

Indeed, Mr. Speaker, with the bill that the Solicitor General (Mr. Allmand) presented to us, it is exactly what the government is trying to do. For, after having served their sentence, what will the murderers do? Prisons are full now and what does the federal government do in the way of practical rehabilitation?

What happens to inmates after their release from prison? What chance do they have to go back to the society in which we live, considering their court records follow them for the rest of their life? I know by experience as a former policeman, and I mentioned it at the beginning of my speech, that almost nothing is done in penitentiaries and prisons to give the inmates a new lease on life. On the contrary, very often a prisoner spends many months without talking to a social worker and if on top of that he is deserted by his wife, his children or, if you like, by his family, how do you expect, Mr. Speaker, this prisoner to fit easily into this society which, as I said, is very sick? I sincerely regret that such things may exist but after further reflection I understand very well the view of Pat Devlin, the inmate of Joyceville penitentiary in Ontario whom I mentioned a few minutes ago.

To conclude, Mr. Speaker, I wish to quote a letter from a Mr. S. C. B. Robinson from Gananoque, in Ontario, who summarizes quite well the reasons for which I am favourable to the retention of capital punishment. I quote:

The value of life is a basic lesson of character, of reason and good sense that should be taught at home, at church, at school and through a whole series of social contacts. And, as a last resort, the state should teach it to those who did not understand and commit premeditated murders. At that stage, we should underline in an understandable manner the value of life and express it in a comparison with the own life of the murderer. In other words, the value of the victim's life should be equal to that of the murderer.

Capital punishment is a repulsive idea but society becomes absurd when it allows a murderer to kill a civil servant, beat a child to death or to shoot innocent by standers knowing very well that he will not pay with his own life.

A good number of our politicians claim that capital punishment is so repulsive that they cannot be party to its implementation but they declare that it is not repulsive enough to have a deterrent effect on a potential murderer. This reasoning seems perfectly illogical. The threat of capital punishment for the potential killer should allow the society to regulate a situation where the victim is unable to defend himself. Any other solution is favourable to the criminal and consequently, our citizens are less protected than they should be.

Capital punishment should not be applied to those who are convicted on circumstancial evidence and hanging should not necessarily be the only means to implement it but our nation should stop the present

inflation in the value of the murderer's life at the expense of that of the victim—we should be all equal before the law and before the murderer.

So, Mr. Speaker, for all those reasons, I think that the retention of capital punishment in Canada is the only means to ensure real justice to persons convicted of capital murder. So I wish that every member in this House before making a decision having serious effects on our society will prevail himself of the stronger arguments and forget once and for all the sentimentality as the future of our children, of our wives and of our fellow citizens depends on it.

● (2100)

[*English*]

Mr. J. Larry Condon (Middlesex-London-Lambton): Mr. Speaker, on most occasions in this House members stand up and say how glad they are to speak on certain issues, but I think this is not a very happy occasion.

I should like to commence my remarks with a quote from W. Gunther Plaut, a rabbi from the Holy Blossom Temple in Toronto:

> At this late stage what new light can anyone shed on the controversy over capital punishment? After all the arguments on both sides have been made with passion and the full force of reasoned argument—one must come to the conclusion that even if the debate continues from now until doomsday no one will get any wiser. For truth be told: wisdom is not at all involved in the decision.

With these opening remarks, Mr. Speaker, I should like to point out to the House and the people of Canada the archaic way we govern ourselves in this House at the present time, and the great need for reform. I am quite convinced, as I am sure are the people of Canada, that most members—by most I mean all but 2 to 3 per cent of the members sitting in this House—have decided which way they are going to vote, be it through emotion, through their hearts, or through the direction of their constituents.

This has been an emotional issue in this whole scenario in the House ever since 1962. We have stood up here as supposedly the champions of the people of Canada. We have emotionally involved not only ourselves but the people of Canada in a conflict, a conflict that Canadians cannot at this time really comprehend, and certainly one they cannot afford to have in these times of confusion, of suspicion of government. Individual Canadians do not know what the people next door are going to do or what we are going to do. I think it is our fault that this is an emotional issue, not just the fault of members sitting in the Chamber now but those who have sat here over the last 10, 12, 15 years.

Individual members have talked to the public on this capital punishment proposal and asked them what they want. I assume, Mr. Speaker, as does every member of this House, that the people of Canada have elected us. But what have we done, and why is there suspicion of government in this great country of ours? There is suspicion of government not just federally but provincially too, and as an ex-municipal politician I say even municipally. I see a period of frustration in Canada because the people have lost faith in their politicians. Why have they lost faith, Mr. Speaker? I would think the reason is because of our outlook on life and on Canada. We told the people—this government is at fault, there is no question of that—back in 1967, 1968 or 1969 that capital punishment was still in effect but that the cabinet and government supporters in the back benches were not going to accept it. We have taken the trust of the people of Canada and completely ignored it.

As you know, Mr. Speaker, I am not a long-winded politician, but I should like to comment on a few areas. I like to get at the facts and to hit the people right between the eyes. I would question some of the comments made by the abolitionists. It is not that their views are not legitimate; they feel in their hearts that there should not be capital punishment. But I am sure that many members who agree with the retentionist view, as I do, are getting a little sick and tired of hearing from their colleagues on both sides of the House "You are a hanger"; or, "You believe in capital punishment, you just want to get rid of the problem". That is not the way I feel, and it is not the way my constituents feel in Middlesex-London-Lambton.

An hon. Member: They say it is also barbaric.

Mr. Condon: Also barbaric, as my colleague from Davenport says.

The Acting Speaker (Mr. Turner): Is the hon. member for Davenport (Mr. Caccia) rising on a point of order?

Mr. Caccia: Mr. Speaker, the hon. member for Davenport was not the one who made that interjection.

● (2110)

Mr. Condon: Mr. Speaker, I apologize to the hon. member for Davenport (Mr. Caccia). I think perhaps it was the hon. member for Lincoln (Mr. Andres). My concern with that outlook of people who feel that the retentionist attitude is that which I mentioned previously, that is, that we are some sort of monsters who would take somebody who has committed a very heinous crime and demolish them, is that it is not a true outlook. The people who believe in capital punishment are the butcher, the baker, the candlestick maker, the MP, and also the people of Canada who have elected all of us.

We have reached the position now where we say this is not an emotional viewpoint. Some areas have been referred to as emotionalism. I should like to quote from the *Dalhousie Review*, which I understand is the bible of many lawyers in this House. It states:

> Sentimentality in the matter of crime and criminals, in which little or no account is taken of any distinction between the new offender and the confirmed outlaw, is perhaps an indication of an overwhelming moral upheaval. Unfortunately, there is no evidence that this genial spirit of "live and let live" and of co-existence with known criminals has resulted in any greater measure of public safety. Quite the contrary. The insecurity of our cities increases year by year as the crime rate in virtually all categories surges relentlessly upward.

What this particular gentleman is saying is that because of our permissiveness, and because of our foregoing of our knowledge of the past, we are ignoring what is happening in Canada today. I agree with him when he suggests to us that we should look into our own hearts first before we prejudge. This is something we have not been doing. We have gone along with snowballing permissiveness, and the attitude of "let them get away with it". Each individual has done the same thing in his own business or his own

area of endeavour. We have taken this attitude and winked at it. This is where that attitude leads us to.

Let me comment very briefly on the presentations the police have made to all members of parliament. My great concern is not in respect of the calibre of police we have today, and not in respect of justice that is presented to us by them under very difficult circumstances. It is very difficult for a policeman to take somebody into court at 8.30 in the morning and see them walk out on the street at 10.30. Policemen exist in their jobs to protect you and me, and all citizens of Canada. They have an obligation to society which perhaps parliamentarians, politicians, and the people have not recognized. They are the people who protect us.

My concern is not in respect of the degree of protection we have received or the diligence with which policemen have performed their duties. My concern rather is in respect of what have we done to them. We have told them there will be no capital punishment for murderers of policemen and prison guards.

Let us assume that this legislation is passed and we do not have capital punishment. Under those circumstances if a criminal comes out of a bank with a gun, will the policeman with the knowledge that no matter what happens to him or what has happened to the poor teller in the bank not be inclined to shoot first to kill? Will he hesitate because of the risk of being down graded? I suggest absolutely not because he is going to be applauded. This is a sad situation. My great concern really is that the police know the background and say. "To hell with it. We cannot depend on the Government of Canada and we cannot depend on the provincial or municipal governments. We will shoot first and ask questions afterwards." I suggest, Mr. Speaker, and members of this august body, that this type of mentality is not that far away.

I have spoken to policemen who have said to me "Larry, will you get some sense into them because we are ready to give up the whole thing." We are getting into a police state where the policemen shoot first. We are losing all sense of justice and fair play, no matter what the circumstances. This concerns me because policemen are the people who are supposed to protect us.

We have heard many statistics on both sides of the question. I will not go into gory details of murder, rape, and such things, and I will not go into detail regarding the contempt we have for murderers or the concern we have for our children. I would like to say this to you in an unemotional way. This is a decision to be made by every member of parliament after serious consideration for some period of time. Many of us have known since 1974 that we were going to have this debate and would have to make this decision. I am sure there is not a member here who will make the decision on any other basis than on the basis of his own feelings and the direction he has received from his constituents. Let us not forget the wishes of our constituents, as they are the ones who have put us here.

In closing I should like to paraphrase Rabbi Plaut, It so happens that my makeup and experience place me and the majority of my constituents, over 75 per cent, on the side of retention. But, having said that, I cannot possibly claim that this makes me right.

[Mr. Condon.]

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I welcome the opportunity to speak on this bill because I doubt whether any other single issue has so plagued and tormented the consciences of Canadians than the case for capital punishment.

There have been some very interesting addresses made on this particular legislation, and I refer here to the speech made tonight by the hon. member for Joliette (Mr. La Salle), the speech we just listened to by the hon. member for Middlesex-London-Lambton (Mr. Condon), the one made last evening by the hon. member for Vancouver-Kingsway (Mrs. Holt), and the speech of the hon. member for Hamilton West (Mr. Alexander). Those speakers arrived at different conclusions, but I submit that their thoughts given to this House could not help but make all of us think about the issue.

The doctrine of the sanctity of human life was developed a long time ago and not, it should be noted, by the present Solicitor General (Mr. Allmand). Although compassion for human life is a basic tenet of western civilization, at the beginning of the 19th century in England more than 100 offences were punishable by death. Since then, numerous clergymen, lawyers, sociologists and others have agitated for a humanization of the penal administration. Their efforts succeeded in making our legal system more humane and more just, but in recent years we have, I believe, gone too far. Punishment and retribution have come to be considered unenlightened, and persons advocating them are often condemned as barbarians.

Present thinking, at least that of the Prime Minister (Mr. Trudeau) and the present government, appears to have been influenced by social scientists and criminologists who emphasize social engineering and social justice in order to achieve reform and rehabilitation. I say to you, Sir, that a battered, distraught, dismayed, and concerned society has discovered that these abstract theories linking crime to environmental causes do not translate into concrete programs to protect citizens against violent crime.

To consider specifically capital punishment, I submit that two distinct questions present themselves for examination. First, is the death penalty an effective deterrent to crime? Second, can the taking of a life by the state be justified on moral grounds?

● (2120)

Let us examine the question of deterrence. This matter has been studied at great length, and the Solicitor General's department has engaged various experts who claim to have proven that capital punishment is no more effective a deterrent than a lengthy jail sentence. Before accepting such conclusions I must point out that their whole approach misses the point.

Repayment and retribution, including capital punishment, are important threads in the social fabric, not only because they deter or reform the offender but because they reassure and satisfy society. This is not the satisfaction of some dark animal need. Citizens live in society on the understanding that their lives, their dignity, and their right to enjoy their possessions will be protected. When adequate retribution follows injury, citizens can be reassured and satisfied that society really does place some

value on their persons. This, I submit, Mr. Speaker, was, and is, a central need for any society.

From 1961 to 1968, 28 individuals serving death-commuted sentences were paroled after spending an average of, was it 30 years—no, Mr. Speaker; was it 20 years—no, Mr. Speaker. It was after an average of only 12 years in prison prior to release, according to the Department of the Solicitor General in the document entitled "The prevention and control of violent crime in Canada" of March 1975, page 9. From 1968 to 1974 this figure rose to an average of 13.3 years for the 42 persons paroled from death-commuted sentences. In the light of these figures—and these are all the figures I intend to place on the record—it can be seen that the difference between the penalty for armed robbery, and murder, might be only a year or two—and under these circumstances a "death" sentence is hardly a deterrent.

One does not require a Ph.D. in sociology to know that a person who murders in the heat of the moment will not be deterred by the threat of capital punishment. The Criminal Code already allows society to distinguish between capital and non-capital murder. But how can the Solicitor General maintain that total abolition of capital punishment would not make criminals more disposed to killing policemen? This is the point that was just raised by the hon. member for Middlesex-London-Lambton (Mr. Condon). Anyone who thinks criminals do not weigh the possibilities of getting caught, and do not understand they could be executed, is living in a dream world.

A society in which crime goes without real punishment, and in which victims receive no satisfaction for their injury, is one that may turn to vigilante justice. Cynicism and callous indifference to good and evil will result from our having less concern for the needs of those who observe the rules than for those who break them. Regardless of whether punishment deters or rehabilitates, it is necessary for justice. Justice is as much a part of the human condition as is mercy. Without either, society will degenerate into a dispassionate paradise, where there would be neither love nor hate, justice nor mercy, only preventive regulations.

Let us look, for example, at the question of morality. Sooner or later the opponents of capital punishment fall back upon the thesis that the state is altogether without the moral right to assume a prerogative that is God's alone. Admittedly, the deliberate and ceremonial taking of the life of a human being is offensive to most persons and this is why executions, when they do take place, are no longer performed in public.

It is generally agreed that it is wrong for the state to inflict torture, or any hideous punishment, no matter how callous the offence. No less reprehensible is the infliction of death for such offences as theft, embezzlement, smuggling, bribery, counterfeiting, or seditious utterances. Yet in protest against such inhumanity, should we unthinkingly jump to the opposite extreme and claim that no crime, however, dastardly, is deserving of the death penalty? These are the questions we must ask ourselves.

The right of an individual to take the life of another in defence of his person is hardly contested. Why is it proper on occasion for a private citizen to take the life of another, while the state may not do so under any circumstances whatsoever? Again, if it is allowable to deprive a would-be murderer of his life in order to forestall a crime, why does it become morally reprehensible to do so after the crime has been committed?

It will be argued, no doubt, that an act of murder, once having been committed, is irreversible. And since nothing can be done to restore the victim to life, hanging the murderer becomes no more than a wanton act of vengeance. But it should be noted that the renunciation of vengeance is a virtue far more easily exercised by the dispassionate onlooker at a crime than by the sorrowing relatives who are directly afflicted.

It is also frequently argued that a man who has been hanged for murder might, on later verification, be proven guiltless. It is a historical fact that in every country, and in every age, innocent persons have been harried to their doom through the machinations of private enemies as well as by hatreds begotten of religion and politics. Such scandals cannot be entirely ruled out for the future; but they can be counteracted to some extent by modern criminal procedures now in force which provide almost iron-clad guarantees to an accused person. He is safeguarded by stringent laws of evidence, and he is seldom lacking in experienced counsel. Invariably a verdict of murder is subject to minute scrutiny through a series of appeals and reviews.

It is true that a vast number of prosecutions do leave behind them a strong element of doubt. Indeed, a trial is meant, by its very nature, to distinguish between that which is certain and that which remains unconvincing. In a great number of acquittals, the accused is discharged, not after being certified innocent and harmless, but only because the charge against him has not been proved beyond all reasonable doubt. In cases where any doubt remains, it is always the accused who is entitled to benefit. But it must also be acknowledged that not all court proceedings necessarily leave a residue of doubt. Often the charge against the accused is easily substantiated, the testimony of the prosecution's witnesses fully corroborated, and all contradictory evidence conspicuous by its total absence.

There is not a single human enterprise or field of activity not marred by some regrettable episodes. Yet we do not prohibit the construction of tall buildings or bridges, or tunnels because it is possible some two or three persons might lose their lives in the course of such an operation. Acts of justice, designed as effectively as possible to protect the innocent, will unquestionably be accompanied now and again by tragic blunders. But unless such miscarriages become blatant, and of alarming extent, there is nothing to be done except to minimize them as far as is humanly possible. In any event, such errors, tragic though they must be, could at their worst be insignificant, as compared with opposite blunders in which further loss of innocent lives could be the direct consequence of thoughtless clemency extended to dangerous and unrepentant assassins. I can therefore come to only one conclusion.

● (2130)

Capital punishment can be defended on both moral and practical grounds. However, for the death penalty to play any significant role in the war against crime it must be enforced not only at rare intervals but in all cases of fully

proven capital murder. What matters almost as much as the severity of punishment is its certainty. Since 1967, 33 policemen and two prison guards have been slain, but the cabinet has continually overruled the findings of the judges, juries, and even the law itself, most recently in the case of Gary John McNamara who murdered a prison guard in 1972. On May 9, 1974, the cabinet commuted the sentence but no reason was given.

In 1973 René Vaillancourt murdered a Toronto policeman while fleeing the scene of a bank hold-up. In 1974 James Hutchinson and Richard Ambrose killed two officers in Moncton. Less than four months ago a policeman and a taxi driver were killed in Dartmouth. It is quite clear from statements made by the Solicitor General that the cabinet has no intention of allowing capital punishment in any of these cases. If that is to be the case, at least parliament should consider amending the Criminal Code so that murderers of policemen and prison guards have to spend the rest of their lives in jail, and are not out walking the streets again in 12 years or less.

Many Canadians suspect that the actual time served already for violent crimes may be too light. A combination of factors account for some relatively short prison terms now: at the court room level many murder charges get reduced to manslaughter because it is claimed some unpleasant remark made by the victim provoked the murderer. Provocation reduces murder to manslaughter, and this defence is helped by the convenience of not having the victim around to testify. Manslaughter sentences may put offenders back on the streets fairly fast. In 1973 almost 83 per cent of the sentences given for murder-reduced-to-manslaughter were under ten years. Over half of those were under five years, which could mean parole in 18 months, or day parole much earlier.

Of 27 murderers discharged from prison in 1973—actually 37 were discharged but statistics are available on only 27—five served less than four years and 21 served between five and nine years. Of manslaughter discharges, 67 per cent had served less than three years. Of attempted murder discharges, 77 per cent had served less than four years. In rape convictions—an offence for which only the most brutal attackers generally get to court—94 per cent of those released had served less than three years. Given these statistics, Canadians may well be excused for thinking that the length of incarceration is more often than not grotesquely out of proportion to all the havoc, pain, torment, and misery created by the criminal.

One of the most thought provoking editorials on this thorny problem appeared on February 28 in the Halifax *Chronicle-Herald*, and I want to put it on the record in the time allowed me this evening because I think it sums up the views of the majority of Nova Scotians. It is entitled, "The Death Penalty", and it read as follows:

There is little doubt but that the majority of Canadian people wish to retain the death penalty, at least for some types of murder.

Government, in most of its programs, cites the pressure of public opinion and the necessity to respond to that opinion as justification.

In the instance of the death penalty, government is careful not to cite public opinion which is adverse to the chosen course.

Of recent years there has grown up a theory, on which much policy has been based, that the rights of the criminal are more important than the rights of society.

[Mr. Crouse.]

In turn that has brought about a backlash in the public which is increasingly concerned with the protection of persons and property, the administration of justice has frequently appeared to concentrate largely upon issues of conceding to the demands and requirements of the criminal element with little thought of fundamental rights of law-abiding citizens.

For practical purposes the death sentence in Canada, while technically in effect, has been suspended. The result of that suspension has not been a decline in violent crime.

I am going to repeat that paragraph:

For practical purposes the death sentence in Canada, while technically in effect, has been suspended. The result of that suspension has not been a decline in violent crime.

The criminal who deliberately plans and executes a murder has no concern with the life of the victim. Yet that same criminal immediately demands and receives the full protection of society when apprehended. And that same criminal along with those who advocate his cause, will present a long list of reasons why his life ought not be forfeited.

The dispassionate killer will not reform. And the program now proposed by government will be of no help.

What is planned is to put people who are proven menaces to society away for a stipulated 25 years. For practical purposes that is life and the form and nature of the sentence is a guarantee of increasing the dangers to custodial staff and the complexities of control.

In proposing its alternative to the death sentence the government is suggesting that the Canadian people get the worst of both worlds. They will pay higher costs with no assurance of improved safety for society.

The death penalty represents the final right of organized society to rid itself of those who will not conform in any respect to civilized life. Such people are a minority, and are not to be confused with others who may take life in passion.

Removal of the final right of society, in effect, tells the criminal that however vicious and evil the crime his own life will not be threatened, but rather will be protected by the society for which he has himself shown no mercy . . .

Parliament is intended to reflect the wishes of the people of Canada.

I am going to read that slowly because I want as many hon. members as are in the Chamber to hear these words.

Parliament is intended to reflect the wishes of the people of Canada.

Surely that is why we are here.

Some hon. Members: Hear, hear!

Mr. Crouse: The article goes on to read:

The institution has been down-graded of recent years, not always with the most constructive of consequences.

The use of power, simply because power is held, to thwart the public will is an assurance of a further erosion among the populace of confidence in not only the government, but parliament itself.

In recent years it has often appeared that the majority has no rights. And that appearance is part and parcel of the loss of confidence in a political process that, in the instance of criminal matters, appears to have as its first concern the protection of the rights of the law-breaker even though society as a whole faces greater dangers in the result.

The plan now before parliament is one that will impress many as a cynical political move that, in practice, increases the personal hazard for those who must enforce and uphold the law, while at the same time allowing those pledged to impose the law as it stands to evade that responsibility.

Those are very forceful words, very thought provoking words, but they sum up the feelings not only of many Nova Scotians but of many Canadians.

Since we last debated the issue in January of 1973 I submit that the cabinet and the government have, by their actions, undermined our legal processes. They have undermined the power of parliament. The practice that has been followed has in effect removed any deterrent associated

with the death penalty. This government in more ways than one has made a sham of our whole judicial process.

How can we expect society to have any respect for the law when those who are supposed to uphold it make a mockery of its own rules and regulations? These actions can no longer be tolerated. I believe we must set an example for the entire country if parliament is to remain supreme. In my opinion, anyone who accidentally kills another during a fight or in the heat of an argument should not be hanged but should be given life imprisonment. However, I believe that capital punishment should be retained for all those convicted of planned, premeditated murder. Clemency, which is the prerogative of the Crown, should be granted only when mercy has been recommended by the jury at the trial, or in the case of an established error in conviction.

I agree that the rights of a murderer as an individual must be protected, but I ask you, Sir, is it not way past the time when we should be considering the rights of the victim?

● (2140)

I had an opportunity to speak on this subject when it was last before the House, and when it was before the House prior to that, but tonight I want to quote just one paragraph from my own words as put on the record on January 31, 1973, when I said the following:

> No matter how we vote in this House on this issue, it is my firm conviction that we shall never again see a man hanged in Canada or put to death by any other means. I say this in light of the facts, for the federal cabinet has exercised its so-called executive prerogative of mercy more than 60 times during the past ten years by commuting all death sentences meted out by the courts.

Of course these figures are updated by what I have put on the record tonight.

In conclusion, I must say to this House that until a suitable alternative to capital punishment is proposed as a protection for society, I feel that the government has left me no choice but to vote against this bill.

Mr. Art Lee (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I rise to enter this debate because it is the most sensitive issue I have to face as a new member of parliament representing my constituency. Other more senior members in this Chamber have dealt with this issue before, and I have found them to be of considerable help and guidance to me, whether they be for or against. Before stating my proposition with respect to this matter, there is one issue I wish to deal with, namely, the free vote.

A free vote to me means just that—a vote based on one's own conscience, but it also means one which should at least take into account the representations of my constituents. In other words, I do not think that I have the right on such a sensitive issue as capital punishment to be blind to the feelings of my constituents. The cynicism I have heard from some hon. members in the media regarding the decision by the government to allow a free vote shocks me, to say the least. As a backbencher on this side of the House I want to put on the record that the whips have not been placed on me to vote the way the cabinet intends to vote. I respect their collective decision, and I know that they respect others who have opposite views.

I would now like to deal with the substance of the issue. The government has introduced a bill to abolish the death penalty for murder and to replace capital punishment with life sentences. First degree murderers would not normally be eligible for parole until they have served a minimum of 25 years.

My personal feelings on the issue of the death penalty, I believe, are not the important question in deciding how I vote. What is most important is the need to provide society and the law abiding individual with a sense of protection from those who commit the ultimate act of violence against the person. Society does have a right to protect itself from those who prey upon its citizens. I believe the death penalty can act as a deterrent to premeditated murder, and I intend to vote for the retention of capital punishment for premeditated murder regardless of who the victim is.

For non-premeditated murders, I believe that the minimum sentence without parole, such as the 10 year non-parolable period proposed for second degree murder in the government's bill, is a sufficient deterrent.

I have made a distinction between premeditated and unpremeditated murder. Such a distinction is not one solely based on the legal definition of planned and deliberate murder, but premeditation must be considered to be a question of fact and personal judgment. I have faith in our trial and jury system that such a distinction can be made in each case. After hearing all the evidence, a jury under the guidance of a trial judge can distinguish between, to use the extremes, the contract killing and the murder which results from a domestic quarrel, or to put it another way, murder which results from a fit of passion.

This to me is the beauty and justice of our legal system: the inherent right of every accused to be tried as an individual, taking into account the facts of the case as determined by a jury, under the guidance of a trial judge as to the questions of law.

With respect to the matter of deterrence, I at one time thought that capital punishment was not a deterrent, but I am convinced now that it is. I have read most of the technical reports, including Fattah's, regarding this particular matter. They leave me with the conclusion that capital punishment may not be a deterrent. I stress the word "may". That word to me expresses a probability. Accordingly, if there is even the remotest chance that capital punishment may prevent a murder, how can I deny that victim, whoever it will be, that possibility of prevention? It is the matter of prevention of death that I am concerned with, not revenge. Society does have the right to protect itself from its most despicable crime against its citizens.

I would now like to deal with the matter of long sentences as proposed by Bill C-84. As I understand it, Bill C-84 intends to break murder into two degrees, first and second degree, both of which will carry life imprisonment but with different minimum periods that must be served in a penitentiary before the convicted person will be eligible for parole consideration. The penalty for second degree murder will basically stay the same, but with respect to first degree murder the new legislation provides for a penalty of life imprisonment with an absolute term of imprisonment of 25 years with no parole. I fully realize and

appreciate that there is a provision for judicial review of either penalties by a panel of three superior court justices.

Solely as it relates to the proposed offence of first degree murder, I seriously question the incarceration of an individual for such a great length of time, notwithstanding the review provisions. Are we not doing that individual more harm than good? I do not know the definitive answer to that question, and none of the technical reports that I have read have given me the answer. In fact, the Solicitor General's own department in a publication entitled, "Questions and Answers Relating to the Capital Punishment Issue" states as follows:

QUESTION: If long sentences replace capital punishment, what implications does this have for increasing the incidence of suicide, mental illness and hostility among persons convicted of murder?

RESPONSE: Behavioural scientists have noted neurotic and psychotic reactions associated with long term institutionalization. However, this is based upon clinical experience from which it is sometimes difficult to establish if it is actually the institutionalization which is the cause. Also, there is little scientific documentation available as to whether or not suicide and hostility among persons serving long term sentences is associated with long term incarceration. Since there are many interrelated factors, it is impossible to predict what effects the proposed legislation will have upon suicide, mental illness, and hostility within Canadian institutions.

The answer acknowledges that experts do not know the effect of incarceration of an individual for a long term. The recent examples at the B.C. Penitentiary in my province may be extremes, to say the least, but they may well indicate the results of either deplorable conditions, or long term incarceration, or a combination of both. If one were to lock one up in the penthouse of a luxury hotel for a minimum of 25 years, I am sure that such incarceration would have some psychological effect on the individual. The point is, Mr. Speaker, that a prison is a prison whether it be the British Columbia penitentiary or, as I have exaggerated, the penthouse of a luxury hotel. Certainly I agree with the reforms that we have made in penal institutions and I earnestly hope that we will continue to do so, but whatever we do, we must remember that a prison is still a prison.

● (2150)

But, more important, with respect to long term incarceration, B.C. Police Commission Chairman, Dr. John Hogarth, has called the sentencing provisions "overly rigid" and said it would be dangerous to deprive prisoners of any hope of eventual release. In essence, I think he is saying, and I agree, that what Bill C-84 does is symbolically kill an individual by subjecting him to sometimes very cruel circumstances for 25 years. I want to know, and I know my constituents want to know, whether long term incarceration increases the potential for attack on prison guards and policemen. From my discussions with some of the officials of correctional institutions in the Pacific region where the B.C. Penitentiary is located, I know that the staff—guards for example—are extremely uneasy about the prospects of long term incarceration.

Notwithstanding the fact that Section 674 of the proposed legislation would deal with the abhorrent situation of a murderer under parole, including day pass or temporary pass, committing another murder, I find that Section 674 enshrines the inescapable conclusions that this legislation is symbolic killing. At present, as I understand it, a person whose sentence is commuted must serve a minimum of ten years before he becomes eligible for parole; and this period could be extended but for no more than 20 years. Section 674 as proposed states:

(1) Unless the Parliament of Canada otherwise provides by an enactment making express reference to this section, no person who has been sentenced to imprisonment for life without eligibility for parole for a specified number of years pursuant to this act shall be considered for parole or released pursuant to the terms of a grant of parole under the Parole Act or any other act of the Parliament of Canada until the expiration or termination of his specified number of years of imprisonment without eligibility for parole.

(2) Notwithstanding the Penitentiary Act and the Parole Act, in the case of any person sentenced to imprisonment for life without eligibility for parole for a specified number of years pursuant to this act, no absence without escort may be authorized under the Penitentiary Act and no day parole may be granted under the Parole Act until the expiration of all but three years of his number of years of imprisonment without eligibility for parole.

In other words, a person convicted of first degree murder would have to serve 22 years of his sentence before being eligible for day parole or a temporary pass.

Again I reiterate and submit that this legislation is nothing more than symbolic killing. I earnestly hope that the hon. Solicitor General (Mr. Allmand) will answer some of the questions I have raised on the issue of long term incarceration.

Before concluding, Mr. Speaker, I should like to say that I am in full agreement with those who state that capital punishment will not prove to be a cure-all to all our criminal problems. The issue of crime in a pluristic and democratic society is much too complex and intricate for anybody to be so simplistic as to suggest the answer lies in, "Hang them all", to use the current expression. We must attack some of the more fundamental roots of crime, for example, poverty.

Other measures that the government has introduced, such as Bill C-71, particularly as it relates to the tightening of our bail law, and at present Bill C-83, particularly as it relates to gun control legislation, dangerous offenders, and wiretap provisions, are steps in the right direction. The criminal law, like any other law, is and should be a process of constant review and amendment by this and future parliaments. Having said that, I still maintain that society must have the right to protect itself from those who prey upon it.

Some hon. Members: Hear, hear!

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, in view of the advanced hour I shall give a short preamble to the speech I intend to make in this debate.

The question which should concern us during this debate, and which has not been examined by any of my colleagues so far, is not whether we should retain or abolish capital punishment, but rather whether or not we should reintroduce some form of capital punishment.

My reasoning, Mr. Speaker, is very simple. The Solicitor General (Mr. Allmand) has repeatedly stated that he will not sign an execution order as long as he is in office. In response to my colleague from the Yukon on the night of the opening of this debate, he shouted across the emotionally charged expanse of this Chamber, "If you want to hang someone, get yourself another boy." Since our con-

stituents, who expect to have their majority view represented in parliament, only change their "boys" during elections, the question of the abolition or retention of capital punishment is irrelevant until about 1978.

As a matter of fact, the "if or not" has not been an issue since 1963, even though the question has been debated in the House four times since then. The question which will be put to the members at the end of this debate will only decide, therefore, whether capital punishment will be abolished with the consent of parliament and the Canadian people, or by the continued abuse of the royal or executive prerogative.

If I may call it ten o'clock, Mr. Speaker, I should like to continue my speech later.

Mr. Deputy Speaker: Is it agreed that we call it ten o'clock?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

SPORTS—REASON FOR ALLEGED DOUBLE STANDARD IN DEALING WITH SOUTH AFRICA

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, the reason I am taking part in the adjournment debate once again is because there seems to be a concern which relates to the fact that the government is once again exemplifying inconsistencies in regard to its policies, this time by taking a hypocritically double standard position relating to its involvement with South Africa.

I am specifically referring to the obviously abrupt attitude the Department of National Health and Welfare has taken in respect of the 1976 Olympiad for the Physically Disabled, scheduled to be held in Etobicoke later this summer. These very prestigious and worth-while games for disabled athletes from around the world are traditionally held every four years in the country hosting the regular Olympic games, while in subsequent years they are held at Stokes Manderville, England.

Canadian organizers and department officials must have known for years that these games would be held in Canada in 1976 in conjunction with the regular Olympic games, which will be held in Montreal this summer as well. These same officials must have known for just as many years that included in the games would be a team representing South Africa. These two facts are common knowledge—common knowledge, as precedence alone would show, to those who are in touch with reality as it relates to sport. Certainly the minister and his department should be in touch with what goes on in the sports world as such matters fall under his jurisdiction.

My point is, that the government had promised a $500,000 grant to the organizers of the Olympiad in Etobicoke, with the knowledge that a team from South Africa would be represented. I say this since in several previous Olympiads for the disabled a South African team did take part, with Canadian teams competing as well in some games.

● (2200)

After preparations were well under way the department suddenly decided to withhold aid, the aid having been promised on the condition that South Africans would not attend, or withdraw.

The irony of the double standard is twofold. First, on at least two previous occasions, once in 1972, for the Munich Games and again last year in England, this government, under the auspices of the Minister of National Health and Welfare (Mr. Lalonde) funded Canadian teams for the purpose of participating with South African teams. Incidentally, South Africa at that time had not taken steps to eliminate racial discrimination. The government now is withholding promised funds on grounds of racial discrimination, even though on two previous occasions the government had provided funds. Since then the South African team has officially joined the International Sports Organization for the Disabled and, at the same time, officially amended its constitution to prohibit racial or political discrimination. This is proven by the fact that a team of 22 athletes scheduled to compete in Etobicoke this summer includes 9 non-whites and blacks.

That is not all, Mr. Speaker. When questioned, the Minister of National Health and Welfare stated that the government's policy has been very clearly established for many years regarding the apartheid policy in South Africa, and the government's position has been to withhold its financial aid to sporting events involving South Africa because of its apartheid policy. The question one must ask oneself, indeed I am asking it, is this: if this in fact is the policy of the federal government, why did it fund the Canadian teams previously when that policy was in force? Second and more important, if indeed this is the policy of the federal government, why has the Department of Industry, Trade and Commerce opened at least two offices in South Africa, with the intention of opening more locations for the purpose of expanding trade between our two states?

I have nothing against the government using South Africa as a trading partner and thereby recognizing that state, but why the double standard? Why take it out on sports? Why involve politics with sports? More specifically, why take it out on disabled kids? That, to me, is petty.

The government tells Canadian athletes and organizations it will not fund them if they invite South Africans; at the same time it allowed Canadian businessmen to import approximately $180 million worth of South African goods last year, mainly wines, sugar, and other products. In addition the government exerted no pressure to stop the massive campaign advertising South African wine for sale in Canada. Nobody has complained about this. But it shows that there is a double standard. This inconsistency concerns me and many others who are involved in these worthwhile games. By picking on the disabled the government is being small, petty, and hypocritical, to say the least. Once again thanks goes to this two-faced government

for jeopardizing the dreams and hopes of nearly 2,000 wheelchair, blind, and amputee athletes from around the world.

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I have only three minutes to answer the small, petty, and hypocritical statement made by the hon. member opposite. I remind him that despite the apparent change of policy referred to in a specific case, apartheid is no less rigorously enforced in athletic competition than in any other sphere of South African life.

It is worth noting that in 1970 the International Olympic Committee suspended South Africa completely from participating in the Olympic movement. This position was given unqualified support by the United Nations, and it is supported fully by the government. We fully support the Olympiad in Etobicoke and have given our enthusiastic and full support right from the beginning; but the organizers of that competition knew in the early stages of the organization of this competition the position of the Canadian government vis-à-vis participation by South African athletes in any such competition.

The Canadian government policy denies funding to any Canadian athlete or group of athletes who intend to travel to South Africa to participate in an athletic competition. While we fully recognize that the decision to participate or not rests with the individual and/or sports body concerned, we have pointed out that competition in South African under conditions of racial discrimination, which are universally condemned, is a matter of considerable concern. Although the government does not financially support such visits, neither is it prepared to limit the freedom of Canadians to travel abroad where they wish.

More recently, events have been awarded to Canada in which athletes from South Africa have been invited to participate. I wish to confirm the position taken by the government in July of 1975 of not providing either moral or financial support to any event in Canada to which South African athletes have been invited. This policy is being implemented in concert with many other nations, in the hope that concern over increasing isolation will encourage the South African government to take real and substantive steps to abandon the policy and practice of apartheid.

Recently representations have been made to the government concerning the staging in Canada of the Olympiad for the Physically Disabled, requesting that the government policy be modified for the Olympiad. It was the view of the Secretary of State for External Affairs (Mr. MacEachen) and myself that such a modification was not justified. The government has reviewed on a continuing basis reports from our mission in South Africa on apartheid in sports. We do not believe that circumstances in this country have changed materially, even though the South African government may allow modification in a particular case. This view has been confirmed in recent days by the reaffirmation by the Supreme Council of Sport in Africa of its continued opposition to all sports contacts with the regime in South Africa. I can only feel sorry that some people resort to using handicapped people in this particular situation.

[Mr. Jelinek.]

HEALTH—MEASURES TO PROTECT VISITORS TO OLYMPIC GAMES AGAINST POLIO—POSSIBLE USE OF SABIN ORAL VACCINE

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I am very glad to see the Minister of National Health and Welfare (Mr. Lalonde) in the Chamber this evening. It is very considerate of him to be here to give us the benefit of his advice.

According to reports the minister stated, "Don't push the panic button on polio viruses." Certainly the carrying out of corrective measures should not be carried out in panic. However, perhaps the polio viruses found in the sewage draining into the Ottawa River has awakened the department's concern out of its Ferdinand slumbers.

It is interesting that I, a member of this House, was denied any information from the department without going through the Director of Public Relation for the department. He could not be reached. I am sure the minister will have an answer for us and say that he had nothing to do with this. The minister knows that I have never misused information given to me by any department. I only wanted this information to correlate my address tonight.

There appears to be a considerable number of people in the province of Ontario who are not immune or who have no antibody immunity to poliomyelitis. This may also be the case in other provinces. I am concerned because through two polio epidemics I was the Medical Officer of Health for the province in the days before polio vaccine. Anyone who has been through such an epidemic, and who has seen those cases and the number who died or were left crippled, would be concerned with the present attitude. I recall pregnant young mothers, young men, and children who died. In particular I remember two young ladies who went swimming together, contracted the disease and died. I will not elaborate on this, but I wonder how many of the present generation have forgotten the days before Salk vaccine.

I am concerned that every step be taken to ensure that those who have not been immunized will be before attending the Olympic Games. In the schools this program will have to be initiated right away before the school term ends to get the school-agers vaccinated and to set up clinics if found necessary.

I am interested and concerned because of a survey done in 1969 by medical officers of health of 15 areas, one of which was the city of Barrie in the riding of Simcoe North. Blood samples were collected in the schools by teams from the Connaught Laboratories. In each area samples were taken from 175 people in four age groups: pre-school children age four to six years; from parents, in most cases the mothers who accompanied the children, ages 23 to 45 years; children in grades seven to eight, ages 11-13; and young people in the age group 15 to 17 years. Immunization cards for each school age child were obtained from health unit records. Blood samples from .3 to .5 millilitres were obtained by finger puncture and collected in blood collecting tubes. This was tested in cultures of monkey kidney cells for antibodies of each of the three types of polio virus.

● (2210)

For children 11 to 13 and 15 to 17, there was a high percentage of resistance to the disease. In the age group 4-6 years, the percentage was less. It was found that only 65 per cent of the children four to six years had antibodies to all three types of polio virus—antibodies being due almost entirely to the Salk vaccine. In the children who had received six or more doses, 74 per cent had antibodies to the three types. In ages 11 to 13 and 15 to 17, there was a high percentage with antibodies to polio virus. This was accounted for by the fact that these children had not only the Salk vaccine but were given the Sabin vaccine in the mass campaign of 1962. Also, some may have shown immunity through having had a previous low grade infection.

It is interesting to note that of those who had not been immunized, three out of six aged 11 to 13 years, and five out of seven in ages 15 to 17, had antibodies to all three types of polio.

From all I can learn it would appear that one dose of Sabin vaccine following immunization with Salk vaccine seems to give full protection against polio virus. It is also true that over the years there has been some increase in the Salk vaccine particularly in type 3 antigen which stimulates the production of antibodies. The type 2 antigen was decreased early in 1974.

The Salk vaccine will stop the neuromuscular effects of polio in practically all cases but does not always stop the gastroenteritis or pharyngitis which may follow particularly the wild viruses.

The disturbing question and one which must be answered is whether immunization has been sufficient to ensure safe immunity to polio. When you look at the age group four to six and see that only 65 per cent had immunity, it would indicate that this is not adequate protection. Again the question is raised that those in the 11 to 13 and 15 to 17 age group had higher immunity due to the fact that they may have had a previous sub-clinical infection and that they also had Sabin vaccine along with the Salk vaccine. Antibodies in those four to six were almost entirely due to immunization with Salk vaccine.

It would appear that there must be a drive put on to encourage immunization. I would suggest that the minister, in his capacity as senior minister of health in Canada, urge that a full immunization program be started without delay. Then, and only then, can we be assured that we have done what we should do with the knowledge we have of the viruses of polio, which it appears at the moment require further study, and regarding which a further report will be out next week. I also want to draw to the minister's attention that, as far as I know, all provinces, with the exception of Ontario and Nova Scotia, use the Sabin vaccine.

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I will be very short. I refer my colleague to my comments on this particular subject on May 7 of last week, as reported at page 13276, of *Hansard*, in answer to the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas).

I should also like to express my thanks to the hon. member for drawing the attention of the House and the Canadian public to this particular situation and to the importance to getting immunization. As the hon. member well knows, we have had for years a universal program of immunization in this country which is available and which is free. I must also advise that we have an ample supply of vaccine to meet the demands of anyone who wants vaccination.

I am also glad that the hon. member gives me the opportunity to stress that these vaccinations are not good for life; after a span of about five years one should get another vaccination. Unfortunately, a lot of people have forgotten this.

Two years ago I sent a reminder with family allowance cheques, and another one last summer. I intend to put in another reminder as an insert to one of the forthcoming issues of family allowance cheques. I hope in the cheques for June there will be a special mention drawing this fact at least to the mothers' attention. Unfortunately, or fortunately, in this country we cannot send the police to bring people in for immunization. This has to be done by the individuals. They have to realize their own responsibilities in this respect. I only want to thank the hon. member for giving me the opportunity of stressing this point again, and for drawing it to the attention of the public.

EXTERNAL AFFAIRS—MINING NICKEL FROM SEABED—INVOLVEMENT OF WORKERS IN DEVELOPING STRATEGY FOR NEGOTIATIONS POSITION TAKEN BY INCO

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, the nickel industry in Canada may very shortly be facing a serious crisis which can only spell disaster for those communities and workers who are very dependent on this particular mineral.

At the recent Law of the Sea Conference the United States, our major trading partner, presented plans which if carried out will, over a period of ten to 25 years, mean the extinction of nickel mining in Canada. The plan presented by the United States calls for the mining of nickel resources from the seabed beyond the 200-mile limit, thus effectively placing the industry beyond the jurisdiction of nations or of trade unions. They want the amount of this seabed mining to increase by a minimum of 6 per cent a year, in spite of the fact that demand will not increase that quickly.

Present increases in nickel output are shared among the world's nickel producing countries. Canada, in fact, used to supply over 50 per cent of the world's nickel requirements, but its share of the market has been dropping to the point where Canada supplies slightly over 30 per cent of the world's nickel needs.

According to Charles Elliot, a director and former president of the Mining Association of Canada, an increase in production of undersea nickel of the magnitude the United States envisages would constitute a disaster for the Canadian nickel mining industry.

When we speak of a disaster to the Canadian nickel mining industry we are not just talking about a drop in profits on shares held by shareholders of the companies. We are talking about the lives of whole communities which

are completely dependent on the nickel mining industry. We are talking about the death of such communities as Thompson, Manitoba, and Fort Saskatchewan. We are talking about completely destroying the economic base of the Sudbury Basin, my own riding and yours, Mr. Speaker. In that area alone 13,000 people are employed by INCO and another 4,000 are employed by Falconbridge. Counting the workers' families and all the persons who are involved in the service sector of the Basin's economy we can get the full impact any such cutback would entail.

Just today Statistics Canada revealed that the unemployment rate in this country is 7.4 per cent. If the nickel industry in Canada is wiped out, we can imagine the implication both in human and economic terms for Canada. As developed nations like the United States strive to become self-sufficient in resources, having learned their bitter lesson after the OPEC situation, our pigeons are coming home to roost.

Past actions by provincial and federal governments to allow Canada to develop as a resource economy have left us basically hewers of wood and drawers of water. Lacking the industrial base we need to process our own minerals to finished products, we are now finding ourselves at the mercy of these sorts of changes as proposed by the United States at the Law of the Sea Conference.

While it is very clear that Canadian workers, in fact all Canadians, will be hurt by this kind of action, we can bet our bottom dollars that the nickel mining companies are flexible enough to benefit from the switch from surface mining to undersea mining. As a matter of fact international Nickel Company, Canada's major nickel mining company, is part of the consortium that will be mining the seabed for nickel. Indeed, Mr. Elliot of the Mining Association of Canada made this crystal clear when he said:

> The Canadian mining companies and their shareholders might benefit considerably, however, by getting involved in sea bed operations.

So much for the patriotism of big business. Who has the gall to suggest to me the equality of the corporation and the union?

The International Nickel Company Limited, has just changed its name to the International Nickel Company Limited, a move that has some justification considering its probable role in this problem. It is making profits from Canadian workers and Canadian resources now. But if this situation goes the other way and it is decided to mine from the sea, it will make a profit there too. The company has a foot in both camps and you can be sure it will put pressure on all governments concerned to take the steps which will be most profitable to the company. If it turns out to be more profitable to go after the under sea nickel, and this is quite likely considering that the U.S. government is obviously prepared to subsidize these operations with large sums of money, then it will phase out its surface operations.

● (2220)

The Canadian government appears to have been caught with its pants down in the latest revelation by the United States at the Law of the Sea Conference. It is quite obvious that the Americans have already lobbied the other nickel producing countries and promised them a share in any increased production in nickel as a result of seabed mining. This, of course, leaves Canada on the outside looking in. With friends like that, who needs enemies?

At this moment the Canadian government should be sitting down with those directly affected by this proposal, the workers, the communities, and the mining companies, to determine strategy and plan proposals which would be much fairer to all concerned.

Moreover, the federal government should elicit from International Nickel Company and all other nickel mining companies which may have feet in both camps their full support for the government's position. The government ought to be prepared to nationalize immediately any of those companies which do not support the position which the government puts forward.

[*Translation*]

Mr. Jean-Robert Gauthier (Parliamentary Secretary to Minister of State for Urban Affairs): Mr. Speaker, in the name of the Secretary of State for External Affairs (Mr. MacEachen), I would first express the concern of this government over the nickel proposal tabled at the very end of the last session of the United Nations Conference on the Law of the Sea, which ended on Friday, May 7. That proposal, most likely originating from the United States, is aimed at controlling the production of minerals in the international zone of the sea bed, by restricting it to the annual increase in the world nickel market, arbitrarily estimated at 6 per cent. If adopted, that formula might have serious repercussions on the production of nickel in Canada and other countries, in cases for instance where the actual yearly expansion of the nickel market were below 6 per cent. Canada feels such a formula is unacceptable.

When the Secretary of State for External Affairs met the American Secretary of State, Mr. Kissinger, in Nairobi, he took the opportunity to explain the effect on Canada of such a provision. It was agreed our two countries will hold consultations at the official level to find a solution. Similarly, the American representatives to the Conference on the Law of the Sea implied they had no intention of solving at the expense of Canada the problems faced by the United States in respect of mineral resource supplies.

I should add that, paradoxically, such a controversial formula was never discussed at the Conference on the Law of the Sea. It is however expected it will have high priority on the agenda of the next meeting slated for August. Canada for her part is urging a solution that would protect land producers of nickel, copper, cobalt and manganese, while allowing mining of these minerals from the international sea bed to the benefit of the international community. Our delegation at the conference already expressed these views to other countries that might be affected by the American formula. For the most part, they share our concerns.

We do not yet know INCO's reaction, or that of other mining companies. It would however be quite normal, and even desirable, if representatives of miners' unions, the mining industry and the provinces affected expressed their views to the government before the next meeting to be held in August 1976.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at two o'clock.

Motion agreed to and the House adjourned at 10.28 p.m.

HOUSE OF COMMONS

Wednesday, May 12, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*Translation*]

LABOUR CONDITIONS

SUGGESTED ESTABLISHMENT OF TRIBUNAL TO AID IN SETTLEMENT OF STRIKES—MOTION UNDER S.O. 43

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, pursuant to Standing Order 43, I ask for the unanimous consent of the House to present a motion on an important and urgent matter.

Considering that for several years now, as a result of labour's legitimate claims Canadians have suffered the aftereffects of a number of strikes in the public and quasi-public sectors; that mechanisms did not appear adequate to solve trade disputes in these sectors; that representations made to the government have too often resulted in government intervention through legislation to force workers to return to work, and that such a situation generates conflicts to the detriment of the Canadian public and the economy, conflicts that could be avoided, I move, seconded by the hon. member for Vancouver South (Mr. Fraser):

That a permanent tribunal of arbitration in conflicts of public interest be established to provide the assistance needed to parties involved to avoid strikes that are far too prejudicial to the Canadian economy. The terms of reference of this tribunal would be to meet the parties, promote better understanding between them, suggest solutions and, if need be, make its recommendations public.

Mr. Speaker: Order. The House has heard the motion by the hon. member. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There being not unanimous consent, the motion cannot be put.

* * *

AIR CANADA

REQUEST FOR INQUIRY ON THE USE OF FRENCH BY EMPLOYEES—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous consent of the House to present a motion of pressing and urgent necessity.

In view of the difficulties which French-speaking Air Canada employees meet when they use French in their communications, in view of the obvious discrimination against French Canadians within pilots and air controllers associations, and in view of the fact that Air Canada, a Crown corporation, does not try to get a fair proportion of pilots from Quebec, who constitute only 7 per cent of the company staff, I move, seconded by the hon. member for Villeneuve (Mr. Caouette):

That the Minister of Transport order an inquiry into this matter and do his best to improve this situation in the near future.

Mr. Speaker: Order please. The House has heard the motion of the hon. member. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There not being unanimous consent, the motion may not be put.

* * *

[*English*]

HOUSE OF COMMONS

PROPOSED COMMENDATION OF OFFICIAL OPPOSITION FOR THEIR LACK OF CONFIDENCE IN ANTI-INFLATION PROGRAM—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I rise under the provisions of Standing Order 43 to move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That in the light of the fact that the members of the Official Opposition have persistently supported the government's anti-inflation program, which has produced the economic chaos cited in the motion on today's Order Paper, this House commends the members of the Official Opposition for presenting this day their motion of non-confidence in the government and in the program they have previously supported.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. It seems that this is surely a matter that can be covered during the course of the debate.

* * *

HARBOURS

SUGGESTION RESIGNATION OF MANAGER OF PORT OF CHURCHILL NOT BE ACCEPTED—MOTION UNDER S.O. 43

Mr. Cecil Smith (Churchill): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity.

National Defence

The Port of Churchill is approaching its biggest grain shipping season in the history of its 44 years of operation. The port cannot be operated by remote control from a location in eastern Canada. Therefore, I move, seconded by the hon. member for Swift Current-Maple Creek (Mr. Hamilton):

That the minister instruct the National Harbours Board chairman not to accept the forced resignation of the present Churchill Port manager, and that the port continue to operate with an on-site port manager.

Mr. Speaker: Such a motion can only be presented with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1410)

FRESHWATER FISH MARKETING CORPORATION

PROTECTION OF RIGHTS OF FISHERMEN IN RESPECT OF PRICES AND DISCLOSURE OF COSTS—MOTION UNDER S.O. 43

Mr. Dean Whiteway (Selkirk): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In view of the fact that Part III, Section 23, Subsection (2) of the Freshwater Fish Marketing Act provides that prices paid by the Freshwater Fish Marketing Corporation to the fishermen shall be agreed upon by the corporation and the fishermen, I move, seconded by the hon. member for Churchill (Mr. Smith):

That this House direct the Minister of State (Fisheries) to use his powers to protect the rights of the fisherman in respect of fish prices and further that the minister order a complete disclosure by the FFMC of all costs by species relating to fish processing and marketing.

Mr. Speaker: Order, please. Pursuant to Standing Order 43 such a motion cannot be presented without the unanimous consent of the House.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent.

* * *

NATIONAL DEFENCE

REQUEST FOR CLARIFICATION OF STATEMENTS CONCERNING LISTENING DEVICES ON SEABED OFF WEST COAST—MOTION UNDER S.O. 43

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I, too, rise under the same provisions of Standing Order 43. My motion concerns the placing of listening devices off the west coast. In view of the contradiction between the statement of Vice Admiral Boyle on May 6 that there were listening devices on the west coast continental shelf and the statement of the Minister of National Defence on the same day that there were not listening devices of any foreign power on that shelf and in view of the statement of Lieutenant-Commander Ridgewell that it was his job to seek out non-United States devices placed on the shelf, I would move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

[Mr. Smith (Churchill).]

That this House advise the Minister of National Defence that the United States, while friendly, is still a foreign power and further that this House request the minister to make a statement on motions today clarifying these contradictions and that he explain by what agreement or authority those devices have been placed on Canada's continental shelf and our territorial seas.

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

Some hon. Members: Agreed.

Some hon. Members: No.

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NORTHERN AFFAIRS

SUGGESTED COMMITTEE STUDY OF PROPOSED NEW NORTHERN OIL AND GAS REGULATIONS—MOTION UNDER S.O. 43

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I rise under the provisions of Standing Order 43 to move a motion of urgent and pressing necessity. In view of the revelation by CBC news that the government is about to issue new oil and natural gas regulations for the far north which will provide the most generous provisions in history to Canada's foreign-owned oil industry and lessen even further public equity and control over our vital energy resources, I move, seconded by the hon. member for Northwest Territories (Mr. Firth):

That this House instruct the Minister of Indian Affairs and Northern Development to refer the proposed regulations to the appropriate standing committee for full parliamentary and public discussion before the cabinet makes any final decision on new northern oil and gas regulations.

Mr. Speaker: Is there unanimous consent for such a motion?

Some hon. Members: No.

* * *

[Translation]

THE CANADIAN ECONOMY

PROPOSED APPLICATION OF SOCIAL CREDIT PRINCIPLES TO IMPROVE STANDARD OF LIVING—MOTION UNDER S.O. 43

Mr. Armand Caouette (Villeneuve): Mr. Speaker, I would like to present a motion pursuant to Standing Order 43. As a result, I ask for the unanimous consent of the House to discuss an urgent matter calling for immediate attention.

In view of the fact that the government has failed to check the havoc of inflation and that the government's anti-inflation programs have caused a substantial increase in unemployment—in Canada, as is demonstrated by statistics which show that in April 1976 7.4 per cent of Canadians were jobless, or 769,000 people, I move, seconded by the hon. member for Champlain (Mr. Matte):

That this House enjoin the government to study immediately the economic solutions put forward by the Social Credit Party of Canada to check inflation and provide all Canadians with a guaranteed income sufficient to ensure a comfortable living.

Mr. Speaker: The House has heard the motion of the hon. member. Pursuant to Standing Order 43, this motion requires unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There not being unanimous consent, the motion may not be put.

* * *

[*English*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF DEPUTY PRIME MINISTER OF THE PEOPLE'S REPUBLIC OF HUNGARY, HIS EXCELLENCY DR. GYULA SZEKER

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, I am sure you and other hon. members would wish me to call attention to the presence in our gallery today of a most distinguished visitor, His Excellency Dr. Gyula Szeker, the Deputy Prime Minister of the People's Republic of Hungary.

Some hon. Members: Hear, hear!

PRESENCE IN GALLERY OF MINISTER OF PROVINCIAL AFFAIRS OF PAPUA, NEW GUINEA, MR. OSCAR TAMUR

Mr. Speaker: Members will have noticed as well the presence in the gallery of Mr. Oscar Tamur, the Minister of Provincial Affairs of Papua, New Guinea, the first such visitor since the independence of that country.

Some hon. Members: Hear, hear!

ORAL QUESTION PERIOD

[*English*]

THE CANADIAN ECONOMY

GOVERNMENT ACTION TO PROMOTE GROWTH AND PROVIDE FULL EMPLOYMENT

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct my question to the Prime Minister. It is related to the very sorry state being faced by heads of families, young people and students and the government's apparent cavalier and callous attitude to their plight. Given the fact that the Prime Minister last month stated that Canada was interested in promoting growth, which includes the quality of our lives, which creates new wealth for us to share among ourselves and with the less fortunate people of the world, will the Prime Minister tell us how he intends to promote that growth which will

improve the quality of life for one third of a million unemployed young persons in this country? How do they fit into this new society, particularly with respect to jobs?

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): We will be dealing with that in the budget.

Some hon. Members: Oh, oh!

Mr. Alexander: I was certainly right when I said that the Prime Minister has taken a very cavalier, callous and unacceptable attitude with regard to the plight of these hundreds of thousands.

Some hon. Members: Shame!

Mr. Alexander: I suggest to the Prime Minister that he has his priorities confused when he is attempting to bring back the constitution rather than find jobs for our young people—

Mr. Speaker: Order, please. I hesitate at any time to interrupt the lead questioner in the question period; however, the subject matter that is before the House is an opposition motion with a non-confidence vote and it is with respect to the very matter which the hon. member is raising. If it is information he seeks which may affect the progress of the debate on the particular subject matter, I will not interfere with it.

Mr. Alexander: With all due respect, Sir, I have in mind the statistics—

Some hon. Members: Oh, oh!

Mr. Alexander: —but I will accept your ruling on this matter which is of extreme concern to me. I ask the Prime Minister, will he advise the House as to what action he intends to take, in the breathing space before the next round of constitutional talks, to encourage—and I say this very seriously—all levels of government and the private sector to direct themselves to the goal of full employment? Certainly, this must be high on the Prime Minister's priority list.

Mr. Trudeau: Mr. Speaker, as I was saying when the opposition drowned me out, this is a subject to which we are addressing ourselves in the budget and in the debate which will take place later this afternoon. What surprises me on the part of the hon. member is that he does not seem to think that several things can go ahead at the same time. I would point out to him that his own leader, and the previous leader of the opposition, have enjoined the government to do what they could to bring the constitution back. I do not know why this hon. member is suggesting that we forget about that subject.

PERCENTAGE LEVEL OF UNEMPLOYMENT GOVERNMENT CONSIDERS AS FULL EMPLOYMENT

Mr. Lincoln M. Alexander (Hamilton West): I think that at this particular time the vast majority of Canadians are not interested in bringing back the constitution as a priority.

In light of the fact that the U.S. is now looking at 3 per cent unemployment as being full employment, can the Prime Minister take us into his confidence and advise us as to what this government is thinking about in terms of full employment? Does he agree with the Economic Council of Canada's goal of 5.8 per cent and, if not, what is his goal?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member has mentioned goals, but he should be interested in realities, too. He should know that Canada has a lower unemployment rate than the United States. He does not even realize that.

Some hon. Members: Hear, hear!

* * *

MANPOWER

MEASURES TO PROVIDE EMPLOYMENT FOR STUDENTS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my supplementary question is for the Minister of Manpower and Immigration. In view of the fact that, as the minister indicated, the 17 summer programs in place for students will create 12,000 summer jobs for young people, and this is an insignificant amount when we take into account that the student employment population will number one million and there will be paying jobs for only 1.2 per cent of those seeking employment, would the minister indicate if he thinks this is an adequate effort? What plans does he have in the immediate future to provide employment to students?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Obviously, the hon. member chose to refer only to programs of direct job creation by the federal government. I indicated in a response to a similar question the other day that it is only one of the many efforts we embarked upon. The main effort, and the one offering the greatest degree of success quantitatively, is the increased co-operation with the private sector in placing students this summer. There are great efforts under way, and during the spring of this year they have been augmented by some of my own personal conversations with such organizations as chambers of commerce and others, to entice them to step up their hiring of students, and I have every reason to believe that that will be successful.

● (1420)

Mr. Marshall: In view of the fact that the minister has indicated that the strategy will be to discuss with provincial governments the means of overcoming the employment situation for students, I wonder if the minister would be willing to make a statement on motions almost immediately to declare what programs he has in mind, because of the vital necessity and the priority which will have to be given this matter when the students get out of school. Would he also indicate what plans there are to increase student loans and other programs which will help students to further their education?

Mr. Andras: I have communicated to all hon. members of this House an outline of the various programs which have been embarked upon by the federal government, of which my ministry is the lead ministry, but they also involve many other departments. That information has been available to hon. members for several weeks now. If the hon. member wishes further elaboration on motions at some future date, I will entertain that proposal, but the information is in his hands.

With regard to student loans, that matter is not in my jurisdiction; however, I will be glad to take it up with provincial governments and my colleagues in cabinet.

* * *

ENERGY

ALLEGED ABANDONMENT OF PROVISION TO RETAIN HALF OF LAND ON WHICH OIL AND GAS FOUND IN NORTH IN PUBLIC HANDS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for either the Minister of Indian Affairs and Northern Development or the Minister of Energy, Mines and Resources. I should like to ask if the cabinet has approved regulations covering the development of oil and gas in frontier and offshore areas in Canada, and more specifically, I should like to ask if one of these regulations, alleged to have been approved, will involve abandoning the previous practice of retaining one half of the land in which oil and gas has been found in public hands in favour of a policy which would relinquish all such land on a lease basis to private developers.

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, my colleague and I will be making a joint announcement next week dealing with the new set of principles which will underline an oil and gas act for Canada and the principles of the oil and gas land regulations.

Mr. Broadbent: I appreciate what the minister has said. He said that he will make an announcement next week, but will he tell the House if the decision has already been reached on this crucially important matter to the people of Canada, and will he answer the specific question I just put to the other minister about one change which it is alleged has been made?

Mr. Gillespie: I think the best way to proceed would be for the full announcement to be made next week. Let me assure the hon. member that it will be a very comprehensive announcement. There is a very large number of new proposals, many of which are interconnected and interlinked, and therefore, to single out one at this time and deal with it would very likely create a completely false impression of the whole thrust of the government's new oil and gas land regulations.

REQUEST FOR ASSURANCE DEVELOPMENT OF OIL AND GAS IN THE NORTH WILL BE PUBLIC DEVELOPMENT

Mr. Edward Broadbent (Oshawa-Whitby): I hope I am not investigated by the RCMP because of this, but I have a document which is labelled confidential, which has been asserted to have been approved by the cabinet and which in fact contains the points I just made, and I want to get

confirmation from the minister. However, in view of the fact that even a Liberal cabinet might make a sensible decision—

Some hon. Members: Oh, oh!

Mr. Broadbent: —will the minister confirm for the House, before he makes his announcement next week, that one of the decisions which it is my understanding has been reached would relegate Petro-Can to the ashcan in terms of public development in the north—

Some hon. Members: Hear, hear!

Mr. Broadbent: We can see where the gentlemen on the right stand.

An hon. Member: Can you see where the fellows on the left stand?

Mr. Broadbent: Would the minister assure the House that the government will not permit the development of our frontier and offshore resources to remain under the control of the private multinationals which so fouled up development in the southern part of Canada and ensured that Canadians did not get the benefit they should from those resources? Would he give an undertaking to the House now that the development of gas and oil in the north will be a public development?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I should like to reassure hon. members opposite, of both parties, that the Liberal government has staked out a responsible, reasonable, constructive middle ground.

Mr. Fraser: Is there any gas in it?

* * *

[*Translation*]

OLYMPIC GAMES

REQUEST FOR ASSURANCE OF EQUITABLE PARTICIPATION BY QUEBEC ATHLETES

Mr. René Matte (Champlain): Mr. Speaker, I have a question for the Minister of National Health and Welfare.

Since the Quebec government has developed special programs, including one entitled "Mission Québec 1976", in order that the ratio of Quebec athletes taking part in the Olympic Games can reach 30 per cent of the national delegation, and since Canadian delegations for all Olympic sports seem to systematically disregard Quebec athletes, whose ratio would now reach hardly 15 to 20 per cent of the delegation, could the minister tell the House whether he intends to have an inquiry into this so as to ensure a fair proportion of Quebec athletes taking part in the Montreal Olympic Games?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I have been very happy to notice, in the last few years, the growing interest shown by the Quebec government in amateur sport and its promotion. Clearly, the Quebec government has allotted considerably larger amounts of money to that field in the last few years than in the past.

Still, it is clear that the selection of athletes who will take part in the Olympic Games is not based upon geographic, linguistic or religious ratios. The choice is made through national competitions sponsored by national sports organizations, and I really believe it would be wrong to intervene politically with a view to having proportionate representation by area.

Now, if there should be cases of discrimination, I should like to be advised of all the details, but every case brought to my attention to date and looked into seriously failed to prove that there had been any discrimination whatsoever.

Should there be such cases, be they British Columbia, Newfoundland or Quebec athletes or athletes from any province, I want to assure the hon. member that we would look into this very carefully, but we will nevertheless continue to rely on national sports federations to select the athletes.

* * *

[*English*]

NATIONAL SECURITY

OFFENCE WHICH TORONTO "SUN" WAS SUSPECTED OF COMMITTING—REQUEST FOR TABLING OF COPY OF SEARCH WARRANT

Mr. Erik Nielsen (Yukon): Mr. Speaker, my question is for the Solicitor General. In view of the fact that a search warrant is normally obtained in order to search the premises, property, or person of an individual suspected of having committed a criminal offence, will the Solicitor General inform the House of the nature of the criminal offence the Toronto *Sun* was suspected of committing, particularly when this is the first time in Canadian history when the premises of a daily newspaper have been subjected to a police search? Will the minister also please table a copy of the search warrant?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the hon. member's statement of the law is not correct. Very often search warrants are issued to get evidence in the hands of individuals—

Mr. Woolliams: Nonsense.

Mr. Allmand: —not because they are suspected but because they have evidence which could be used in pressing a criminal case. In this case there was an alleged offence, not against the Toronto *Sun* necessarily but an offence had been committed in that a confidential document had been given to an unauthorized person. In pursuit of the investigation as to who was responsible for that offence the RCMP had the search warrant issued in accordance with the law and are now pursuing that investigation.

Oral Questions

ADMINISTRATION OF JUSTICE

CONSENT OF MINISTER TO PROSECUTE IN CASE OF LEAKED LETTER FROM GENERAL DARE TO COLONEL BOURNE

Mr. Erik Nielsen (Yukon): Mr. Speaker, the hon. gentleman did not answer my question as to whether he would table a copy of the search warrant. I would have thought that the Toronto *Sun* would have been asked to produce the document or whatever it was before the police were sent in.

My question to the Minister of Justice is to inquire whether his consent has been sought pursuant to section 12 of the Official Secrets Act to institute any prosecution in connection with a leaked letter from General Dare to Colonel Bourne or in connection with the police search of the premises of the Toronto *Sun*? If not, is the minister contemplating the laying of any charge?

● (1430)

Hon. Ron Basford (Minister of Justice): Mr. Speaker, the answer to the preliminary part of the question is, no. My permission has not been sought. I presume thereby that the RCMP is conducting whatever investigation is under way. If the RCMP feel that a charge is warranted under section 12, they will refer the matter to me.

REQUEST FOR INQUIRY INTO CIRCUMSTANCES OF LEAKING OF LETTER FROM GENERAL DARE TO COLONEL BOURNE

Mr. Erik Nielsen (Yukon): Mr. Speaker, the minister did not say if charges were being contemplated, which was the last part of the question.

May I ask the Prime Minister, in view of the serious implications of the whole matter, particularly with regard to the maintenance of the freedom of the press, if the government will establish a special inquiry into all circumstances surrounding the leak of the Dare-Bourne letter and the events arising following the disclosure of its contents?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe the answer, here, is the same as the answer I have given in other cases: that the police are conducting an investigation and that we are relying on the police to do their duty and do it well. I have answered many other questions of this type by saying that I see no need for an investigation. I believe that the police will or will not lay a charge, or ask one to be laid, according to their own sense of duty. I must say that I do not see any greater gravity in this case than in all the others.

The hon. member is concerned about the freedom of the press, and rightly so; but the freedom of the individual is also very important. I have not seen the opposition incensed because there were search warrants issued against individuals. Why are they suddenly excited because the police are interested in the press? They were egging on the police in recent months to get going after individuals. To me, the freedom of the individual is just as important as the freedom of the press.

Some hon. Members: Hear, hear!

[Mr. Allmand.]

POSSIBILITY DISCLOSURE OF GENERAL DARE'S LETTER BREACH OF OFFICIAL SECRETS ACT—GOVERNMENT POSITION

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, my question is for the Minister of Justice. The Prime Minister yesterday having said that parts of the contents of General Dare's letter are erroneous, and as I believe in the importance of the freedom of the press, a freedom next in importance after freedom of speech, will the minister say if he or his legal officers considered that General Dare's letter contains any information which, if disclosed, would breach the Official Secrets Act, and, if so, will charges be laid?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, as I told the hon. member for Yukon a moment ago, the RCMP, as the Solicitor General indicated, are carrying out an investigation. When they have completed that investigation, if they feel that charges are warranted against anyone, that matter must, under the law, be referred to the Attorney General of Canada and the law officers of the Crown.

Mr. Woolliams: A supplementary question, Mr. Speaker. A search warrant having been issued to allow the RCMP to search for a document in a newspaper office, may I ask the Minister of Justice, the chief legal officer of Canada, what great secret was contained in that letter which, if disclosed, would breach the Official Secrets Act? What was there? What was so important as to warrant infringement of the freedom of the press?

Mr. Basford: Mr. Speaker, the search warrant, as was made clear, was issued under section 11(1) of the Official Secrets Act. Whether the particular document searched for, or other documents, constitute a breach of section 4 of the act is a matter to be determined on the conclusion of the investigation.

NATURE OF OFFENCE COMMITTED BY LEAKING OF LETTER FROM GENERAL DARE TO COLONEL BOURNE

Mr. Eldon M. Woolliams (Calgary North): A final supplementary question, Mr. Speaker. The minister mentioned certain sections of the act. Surely, whoever issued the search warrant must have had reasonable and probable grounds for believing that an offence has been committed or was about to be committed.

Some hon. Members: Oh, oh!

Mr. Woolliams: The Prime Minister called hon. members hyenas. I can see why he calls you all hyenas.

May I ask the Minister of Justice what offence the person who issued the search warrant, or the police, believes was committed in the newspaper offices in Toronto?

Mr. Nielsen: Table the search warrant.

Hon. Ron Basford (Minister of Justice): Mr. Speaker, that, really, is a rather ridiculous question. No charges have been laid, and the hon. member is asking me to say what charges are involved.

Mr. Woolliams: That is exactly what I am asking.

Mr. Basford: A search warrant has been issued—

Some hon. Members: Oh, oh!

Mr. Basford: Mr. Speaker, obviously, the gentlemen of the opposition are expert at being hyenas.

The situation is that a search warrant was issued under section 11 of the Official Secrets Act on the information and belief of a Corporal Colter of the RCMP. That, clearly, does not indicate that a charge has been laid or may be laid.

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EXTERNAL AFFAIRS

APPEAL OF UNITED STATES CONGRESSMEN FOR MORE FREQUENT MEETINGS WITH CANADIAN AUTHORITIES—GOVERNMENT POSITION

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker,—

Some hon. Members: Hear, hear!

Mr. Wagner: Mr. Speaker, I thank you and, through you, all members of the House. My question is directed to the Secretary of State for External Affairs. In view of the recent appeal by 15 Republican members of the United States Congress in favour of more frequent meetings between the American and Canadian authorities, including regular meetings between the President of the United States and the Prime Minister of Canada, has the Secretary of State for External Affairs taken any initiatives in order to respond to that appeal?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I have taken a number of initiatives to increase contacts between Canadian and U.S. authorities. Just last week in Nairobi I had a consultation with Dr. Kissinger. I shall have a further consultation with him next week in Oslo—

An hon. Member: Try Washington.

Mr. MacEachen: —and arrangements have been made to hold subsequent consultation in Montreal.

Mr. Wagner: A supplementary question, Mr. Speaker. Does the Secretary of State for External Affairs propose to hold further meetings in order to set up an agenda for a series of meetings between the authorities of both countries for the purpose of reducing the tensions deplored by that group of United States Congressmen?

Mr. MacEachen: Mr. Speaker, I have already expressed my view of the evaluation conducted by the United States Congressmen. I had a consultation with Dr. Kissinger last week in Nairobi. We both discussed this question and both agreed that whatever tensions existed fictionally, they were not present in the relationship between Canada and the United States.

COMMUNICATIONS

CABLEVISION—PROPOSED ISSUANCE OF GUIDELINES FOR RATE SCHEDULES, METHODS OF PAYMENT, ETC.

Mr. Ross Milne (Peel-Dufferin-Simcoe): Mr. Speaker, my question is for the Minister of Communications. Will the minister consider asking the CRTC to prepare guidelines covering such things as notification dates for new rate schedules, acceptable methods of payment, disposition of unused portions of annual contracts, etc., with which cable TV companies would comply when they are implementing new authorized rates to the subscribers?

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, I believe that the companies do advise customers of changes in rates and changes in contracts. However, I will make the representation of the hon. member known to the CRTC.

* * *

MANPOWER

NUMBER OF JOBS TO BE CREATED FOR STUDENTS—SUGGESTED ESTABLISHMENT OF FUND TO ENABLE MUNICIPALITIES AND FARMERS TO CREATE JOBS

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, my question is for the Minister of Manpower and Immigration and concerns the fact that we have seen a seasonally adjusted unemployment rate among workers between the ages of 14 and 24 of more than 10 per cent since October, 1974. The elimination of the Opportunities for Youth Program will eliminate another 30,000 summer jobs which would have been available to people in this age group. In view of the fact that as yet we have seen no sign of jobs in significant numbers resulting from what the minister has called elaborate efforts in working with the private sector to stimulate replacement of students and young workers, can the minister tell the House how many jobs he can assure us will be created as a result of these elaborate efforts and some indication of what they consist of?

● (1440)

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I already indicated that that information was conveyed to hon. members by a communication several weeks ago. Second, I point out that the quantitative results of that effort are mainly in the private sector. Even at the height of job opportunity funding by the federal and provincial governments over the last three or four years, it has been quite consistent that 85 per cent of the jobs have been found in the private sector. We are exploiting, through our efforts in working with the private sector, organizations for an improvement in that ratio. Indeed, that is where the greatest possible results would lie.

Mr. Rodriguez: In view of all the pious platitudes which the minister has just enunciated, and in view of the fact that we have not yet seen any of these jobs, is the minister now prepared to establish an emergency fund from which municipalities and the agricultural community may draw

to create employment opportunities with decent wages and conditions for our unemployed youth?

Mr. Andras: No, Mr. Speaker. We are not prepared to establish such an emergency fund, as interesting an idea as it may be. However, over the last two or three years we have taken definite measures to expose young Canadians to agricultural work through the creation of farm labour pools. I certainly invite students this summer to take a second look at work in agricultural activities. It offers them the possibility or work, although indeed it is hard work.

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IMMIGRATION

ALLEGED NEED OF PASSPORTS BY UNITED STATES TOURISTS—GOVERNMENT POSITION

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I wish to direct a question to the Minister of Manpower and Immigration who I am sure is aware of the great importance of the tourist industry in Canada and the worry and concern of tourist operators. Will the minister assure this House that the need for passports, birth certificates or similar documentation on the part of Americans crossing the Canadian border this summer has been sufficiently publicized by his department so that the tourist industry, upon which so many areas of Canada are dependant, is not adversely affected by any delay in the issuance of documentation?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, this matter was brought to my attention last night through a report by one of the northern Ontario tourist organization operators. I can say quite frankly that I am not aware of the issuance of any instructions which will require passports or any such documents from Americans coming to Canada although there will be greater scrutiny of border crossings this summer for obvious reasons.

Mr. Darling: Will the minister advise the House if any representations have been made to the United States government to expedite the issuance of passports to American tourists without jeopardizing security provisions in either country because the tourist operators are under the impression that when their American clients cross the border, they will be stopped unless they have either a birth certificate or passport.

Mr. Andras: Mr. Speaker, I believe that impression is erroneous. I alluded to it a minute ago. I want to find out the source because that is not the intention.

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HIGHWAY SAFETY

REQUEST THAT FINDINGS WITH REGARD TO DEFECTS IN FORD MOTOR VEHICLES BE MADE PUBLIC

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question is directed to the Minister of Transport. In so far as officials of his department in the division of the Motor Vehicle Safety Branch have now completed their investigation into steering defects in Ford motorcars and defects in control arms which could cause a collapse of the wheel, and have now stated that these defects are a serious hazard to Canadian drivers, will the minister assure the House that these findings will be made public immediately? In view of the fact that this branch has much information in this regard not yet released, will the minister also assure the House that a list of vehicle safety matters under investigation will be made available to Canadian consumers, as was done by the highway traffic safety administration office in Washington to United States consumers?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the hon. member knows that the safety branch will take the appropriate steps as soon as the information is complete and make it available to the public in the proper fashion. I know the hon. member appreciates the standard of work which has been accomplished in that branch and in the department in that regard. In this particular case, there are some real concerns. However, it is also known that there is a basic warning in the operation of the vehicle to the person with a car with a defect. That will also be a matter taken into consideration. However, I can assure the hon. member that as fast as steps can be taken, they will be taken, as always.

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CONSUMER AFFAIRS

REQUEST FOR PUBLICATION OF DEFECTS IN FORD MOTOR VEHICLES

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I will direct my supplementary question to the Minister of Consumer and Corporate Affairs. In view of the fact that officials now know there are steering defects, other defects and other matters being investigated with regard to Ford cars, will the minister, acting on behalf of Canadian consumers, ensure that these findings are made public today or tomorrow, or does he feel that the legal rights of the Ford Motor Company are more important than the safety of Canadian consumers? Does he feel—

Mr. Speaker: Order, please.

Hon. Bryce Mackasey (Minister of Consumer and Corporate Affairs): Mr. Speaker, I did not get up right away because I thought the hon. member was about to launch into a speech.

Some hon. Members: Hear, hear!

Mr. Mackasey: Not being a lawyer, I cannot quite grasp the significance of combining Ford rights versus safety information to be supplied to consumers. I presume that Ford of Canada have legal rights. Maybe the hon. member does not agree with me on this. With regard to the information, I will make certain that everyone is fully informed, as will the Minister of Transport. I am sure that Ford of Canada will have to make this information available to the Canadian consumers, particularly those owning Ford automobiles, in so far as the safety question is concerned.

With regard to the other matter, which the hon. member alluded to the other day, I repeat that Ford's legal rights are such that they must be considered innocent until proven guilty by the proper officials at which time I will not hesitate to act against the Ford Motor Company of Canada.

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HUMAN RIGHTS

DATE OF RATIFICATION OF UNITED NATIONS COVENANT—REASON FOR DELAY

Hon. Robert Stanbury (York-Scarborough): Mr. Speaker, my question is for the Secretary of State for External Affairs. One month ago today in the absence of the minister, his parliamentary secretary told the hon. member for Fundy-Royal she was hopeful that at any moment the Canadian government would be ratifying the United Nations Covenant on Human Rights. Can the minister either report that this covenant has been ratified or indicate what is standing in the way of ratification of this document which dates back ten years?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I regret that I cannot advise the hon. member that this convention has been ratified. I am still awaiting final word from one province, to the representative of which I addressed a telegram I believe yesterday, in the expectation that early action would be taken and a unanimous decision therefore possible.

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[*Translation*]

INDUSTRY

TEXTILES—GOVERNMENT ACTION TO PREVENT LAY-OFFS BY PROHIBITING IMPORTS

Mr. André Fortin (Lotbinière): Mr. Speaker, I want to put a question to the Minister of Industry, Trade and Commerce concerning the situation of textiles in Canada.

Given the increase to 8.3 per cent of the unemployment rate in Quebec, is the minister aware that his present policy on imports in the textile industry, at a time when this industry goes through a serious and long period of slowdown and lay-offs, makes this industry absolutely unable to compete with the massive imports of artificial and synthetic fibers? Is then the minister in a position to tell the House what steps he intends to take to protect the jobs of Canadians who work in that industry?

● (1450)

[*English*]

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, it is not only a question of the steps to be taken but of the ones that have been taken. Within recent weeks we have applied quotas and constraints on at least four separate categories, in consultation with the industry and on the basis of reports from the textiles and clothing board. We are expecting an additional report from the textiles and clothing board on polyester yarn within a matter of days. I have indicated in the House and elsewhere that there is a committee made up of industrial representatives and officials which is now meeting to determine what changes in the policy are necessary. As soon as we get the most recent report that I mentioned with regard to polyester yarn we will announce as quickly as possible what is our decision in that regard.

[*Translation*]

Mr. Fortin: Mr. Speaker, I want to ask a supplementary question.

Does the minister know that at the present time, particularly in Quebec, where this industry predominates, many workers with more than 25 years of service are laid off or paid the minimum wage because of the increase in the imports of synthetic fibers, and does he intend—and that is the purpose of my question—to protect the jobs of these people, or create a program to relocate them on the labour market?

[*English*]

Mr. Jamieson: Mr. Speaker, I have already indicated a number of the steps we have taken. I repeat that on polyester yarn there is a study underway at the moment as to how it is going to be done. I do not think that anybody needs to be reassured more than the hon. member, and my colleagues from Quebec on this side of the House have kept me very conscious of this matter over the past several months.

* * *

AIR TRANSPORT

CONSULTATIONS WITH AIR TRAFFIC CONTROLLERS IN SETTING UP INQUIRY INTO SAFETY OF BILINGUAL OPERATIONS—PUBLICATION OF REPORT

Mr. J. H. Horner (Crowfoot): Mr. Speaker, may I direct my question to the Minister of Transport following his news conference at the noon hour concerning the setting up of an independent inquiry into the question of bilingualism and traffic safety. The conciliation board report specifically stated that there should be consultation with the air traffic controllers in the choosing of the commissioner and in setting out the terms of reference. Did the minister consult with them on these two points before he set out the terms of reference and chose the commissioner?

Hon. Otto E. Lang (Minister of Transport): We did have consultation, Mr. Speaker. For instance, we did give a number of names to the employees and we indicated that we were interested in getting their reply. On the other hand, when we did not have a positive reply with regard to the names we went ahead and selected a name that we were confident would have their full confidence and support in view of this gentleman's past record and history. We did not, however, want to delay the setting up of the commission because it is important that we assure everybody, including the controllers, that we are very determined to establish procedures for ensuring safety, and this ought not to be the basis of any problem for those who travel by air in this country.

Oral Questions

Mr. Horner: Mr. Speaker, the minister failed to answer the second part of my question which was whether he consulted them on the terms of reference. As a supplementary question, following what he said in his news release to the effect that the report will subsequently be presented to parliament, in order to maintain the credibility of the assurance of safety all across the country would the minister table the report immediately in parliament once it is brought down by the commissioner inside the 90 days?

Mr. Lang: Mr. Speaker, I indicated that we had communications with the organization. That is all we can do on our part. In terms of whether or not there was a sufficiently positive reply to qualify as what the hon. member calls consultation, I do not know.

As the second part of the question, it is obvious, Mr. Speaker, that our intention is to make available the report to all as soon as possible. I had thought that by saying that it would be presented to parliament I was doing that, but I can assure the hon. member that it will be made available immediately.

* * *

CONSUMER AFFAIRS

STATEMENT OF EGG MARKETING AGENCY ABOUT SUPPLIES FOR PROCESSORS—MINISTER'S POSITION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I direct my question to the Minister of Consumer and Corporate Affairs. Is the minister aware of a telegram that was sent to all egg processors by CEMA to the effect that "Due to present confusion of government policies we feel we are unable to supply eggs in excess of Canadian surplus to table markets"? The telegram goes on to advise the processors that if they are not satisfied they are to contact the Minister of Consumer and Corporate Affairs or the Minister of Industry, Trade and Commerce. Does the minister intend to ask the Farm Products Marketing Council to ask CEMA, which operates under federal government licence, to explain this what amounts to intimidation of the Canadian egg processing trade?

Hon. Bryce Mackasey (Minister of Consumer and Corporate Affairs): Mr. Speaker, the question is a valid one. The role of CEMA is two-fold. I think that CEMA's role, which it is carrying out very well, is to stabilize the price of eggs in such a way that it is as fair to the producer as it is to the consumer. Its second responsibility is to supply a sufficient quota of eggs both to the individual consumer and the breaker trade. If CEMA is unable to do so I think that private industry would be gald to do so, and it should reflect a two and a half cents reduction in the price of eggs to Canadians, which is the amount the consumer must pay to help finance CEMA and assist it to fulfil its function as outlined by the law.

[Mr. Lang.]

TRADE

MEASURES TO ASSURE SUPPLY OF EGGS FOR PROCESSORS

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct my supplementary question to the Minister of Industry, Trade and Commerce; the minister has been made aware of this telegram. What steps is he taking to ensure that the legitimate processors of eggs in Canada will be assured of an adequate supply, notwithstanding any veto powers CEMA may have over import quotas? Because obviously this will have an effect on the price of confectionery and bakery products in this country.

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, I want to thank the hon. member for sending me a copy of the wire. The first I saw of it was when I came into the House. Prior to its receipt—and I will take the hon. member's word that this is the wire—I had already written to my colleagues in agriculture and consumer affairs and asked them to arrange for a meeting of officials to clarify the situation and to determine what the best course of action would be. As I read the telegram, if it suggests that these people ought to put pressure on in terms of getting a decision that is favourable to them or to any particular group which is not a rational decision in the over-all, then I think they can save the cost of the wires because they are not going to have that kind of effect.

* * *

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR TABLING OF COPY OF WARRANT USED TO SEARCH OFFICES OF TORONTO "SUN"

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, may I direct my question to the Solicitor General. In questions raised yesterday and earlier today in the question period a request was made for a copy of the warrant in the RCMP investigation, and perhaps through omission the Solicitor General did not answer that part of the question. Would the minister be prepared to table the warrant referred to in the course of questioning so that we can look at it?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I will look into that. I might also say, since I was questioned about this, that the offence that was committed was an offence under section 4(1)(a) of the Official Secrets Act, which makes it an offence for anyone to communicate in any way the contents of a classified document to an unauthorized person. The reason for the warrant was not because we wanted to find out the contents of the letter—obviously we had copies of it—but to get the exact copy that was sent to the Toronto *Sun* so that we could get evidence as to where it was produced, how it was produced and who might have sent it. That is the important fact.

Mr. Baker (Grenville-Carleton): A supplementary question, Mr. Speaker. In the course of his investigation into this matter has the Solicitor General inquired of the Royal Canadian Mounted Police whether or not, prior to carrying out the search, they had requested the Toronto *Sun* or one

of its publishers to produce the letter? Would he answer that question?

Mr. Allmand: Mr. Speaker, as the hon. member knows, when the RCMP went to the offices of the *Sun* they asked the officer in charge for the letter, but he refused to give it.

Mr. Baker (Grenville-Carleton): But before that.

Mr. Allmand: I raised that point. They thought it might have been counter productive, that the letter might have been destroyed and so they proceeded in this way. There is lot of information that can be had from a copy of the letter; for example, what type of machine did the photostating, whether there were any fingerprints on the letter and so on. This can be very helpful in gathering evidence.

* * *

NATIONAL SECURITY

PORTION OF LEAKED LETTER FROM GENERAL DARE CONSIDERED DANGEROUS TO SECURITY—REASON LETTER CLASSIFIED

Mr. Allan Lawrence (Northumberland-Durham): A supplementary question, Mr. Speaker. Presumably the Official Secrets Act is designed to prevent falling into unauthorized hands information that would be dangerous to the security of this country. In any event, now this information has been published would the minister be good enough to explain to the country just what information in the letter would be dangerous to the security interests of this country?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the hon. member is not properly quoting the law. If he reads it he will see that section 4(1)(a) of the Officials Secrets Act does not say what he has just said. Furthermore, there is a principle involved here, which is in the law, concerning individuals who without any sanction leak documents which the RCMP themselves believe to be confidential and secret.

● (1500)

Mr. Lawrence: I suppose it boils down to this: Why was—

Some hon. Members: Oh, oh!

Mr. Lawrence: Why was that letter even classified in the first place? Would the minister tell us that?

Mr. Allmand: General Dare or some of his staff decided that this was appropriate.

Order Paper Questions

ROUTINE PROCEEDINGS

[*English*]

NATIONAL DEFENCE

ONE-HUNDREDTH ANNIVERSARY OF ROYAL MILITARY COLLEGE OF CANADA

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I appreciate being recognized at this time to make a brief but important announcement. The Royal Military College of Canada is celebrating its one-hundredth anniversary this year and as part of the centennial celebrations the college is being presented with a new Queen's colour. The presentation ceremony is to take place on Parliament Hill at 12 noon tomorrow, when His Excellency the Governor General will present the new colour to RMC.

Some hon. Members: Hear, hear!

Mr. Richardson: I should add that the ceremony will last approximately one hour. There will be seats held in reservation for members of parliament who arrive before 11.45 a.m. For those who are unable to attend for the entire event it will, of course, be possible to watch parts of the ceremony at any time from 12 noon till one o'clock from any part of the Hill. I hope members from both sides of the House will want to attend at least some part of this ceremony which is of great significance in the life of the Royal Military College of Canada as it celebrates 100 years of service to our country.

* * *

TRANSPORT AND COMMUNICATIONS

CONCURRENCE IN FIFTEENTH REPORT OF STANDING COMMITTEE

Mr. John Campbell (LaSalle-Émard-Côte Saint-Paul) moved that the fifteenth report of the Standing Committee on Transport and Communications, presented to the House on Monday, May 10, 1976, be concurred in.

Motion agreed to.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 4,363, 4,365, 4,366, 4,370, 4,371, 4,375, 4,377, 4,379, 4,420, 4,422, 4,565, 4,883, 4,885, 4,886, 4,891, 4,896, 5,186 to 5,188 inclusive, and 5,204.

Order Paper Questions

[*Text*]

PSYCHOLOGISTS—STE-ANNE-DES-PLAINES

Question No. 4,363—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Ste-Anne-des-Plaines and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

● (0000)

PSYCHOLOGISTS—FRONTENAC INSTITUTION

Question No. 4,365—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Frontenac Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHOLOGISTS—ROCKWOOD INSTITUTION

Question No. 4,366—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Rockwood Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHOLOGISTS—BEAVER CREEK CORRECTIONAL CAMP

Question No. 4,370—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Beaver Creek Correctional Camp and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHOLOGISTS—PITTSBURGH INSTITUTION

Question No. 4,371—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Pittsburgh Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHOLOGISTS—BATH INSTITUTION

Question No. 4,375—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Bath Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

[Mr. Blais.]

● (0000)

PSYCHOLOGISTS—LANDRY CROSSING CORRECTIONAL CAMP

Question No. 4,377—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Landry Crossing Correctional Camp and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHOLOGISTS—ONTARIO PRE-RELEASE HOSTEL

Question No. 4,379—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Ontario Pre-release Hostel and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

LIVING UNIT-OFFICERS—MILLHAVEN INSTITUTION

Question No. 4,420—**Mr. Hnatyshyn:**

1. For the years 1970 to 1975, what was the number of living unit-officers at Millhaven Institution?

2. Was their education (a) less than grade 10 (b) grade 10 to grade 12 (c) some college (d) beyond a first university degree?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

LIVING UNIT-OFFICERS—SASKATCHEWAN PENITENTIARY

Question No. 4,422—**Mr. Hnatyshyn:**

1. For the years 1970 to 1975, what was the number of living unit-officers at Saskatchewan Penitentiary?

2. Was their education (a) less than grade 10 (b) grade 10 to grade 12 (c) some college (d) beyond a first university degree?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

LIVING UNIT-OFFICERS—DORCHESTER PENITENTIARY

Question No. 4,565—**Mr. MacKay:**

1. For the years 1970 to 1975, what was the number of living unit-officers at Dorchester Penitentiary?

2. Was their education (a) less than grade 10 (b) grade 10 to grade 12 (c) some college (d) beyond a first university degree?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

● (0000)

PSYCHIATRISTS—FERNDALE

Question No. 4,883—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Ferndale and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHIATRISTS—MOUNTAIN INSTITUTION

Question No. 4,885—Mr. Reynolds:

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Mountain Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHIATRISTS—AGASSIZ CORRECTIONAL CAMP

Question No. 4,886—Mr. Reynolds:

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Agassiz Correctional Camp and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHIATRISTS—PANDORA CENTRE

Question No. 4,891—Mr. Reynolds:

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Pandora Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHIATRISTS—BURRARD CENTRE

Question No. 4,896—Mr. Reynolds:

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Burrard Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

JOB OPENINGS REPORTED TO LOCAL CANADA MANPOWER CENTRES

Question No. 5,186—Mr. Coates:

1. Since March 1, 1973, how many new job openings were reported to the local Manpower Centre by (a) Victoriaville Hockey Sticks, Ltd., Victoriaville, Quebec (b) the Bonaventure Quebec Branch of Quebec Branch of *Gélinite Inc.*, Sillery, Quebec (d) the Malartic Quebec Branch of M.D. Chartre, Val d'Or, Quebec (e) Sportsman Campers and Trailers Manufacturing Ltd., Saskatoon, Saskatchewan (f) Native Auto Salvage Co., Regina, Saskatchewan (g) SED Systems, Ltd., Saskatoon, Saskatchewan (h) *Produits Chimiques Côté*, Chateauguay Centre, Quebec (*i*) the St. Hubert Branch of *Les Breuvages Leymoyne Ltée*, Longueuil, Quebec (j) Olympic Pant & Sportswear Co. Ltd., Winnipeg, Manitoba (k) the Selkirk Manitoba Branch of Electro-Knit Fabrics (Canada) Ltd., Montreal, Quebec (l) Sunburst Ceramics Ltd., Lethbridge, Alberta (m) the Cornwall Branch of Atlas Hoist and Body Inc., Montreal, Quebec (n) the Ville St. Laurent Branch of Edith Serei Co. Ltd., Montreal, Quebec (o) Andersen Forest Products Ltd., New Denmark, New Brunswick (p) the Spring Manufacturing Plant for Carnell's Carriage Factory, Ltd., St. John's, Newfoundland (q) Columbia River Shake and Shingle Ltd., Nakusp, British Columbia (r) Dycks Containers and Forest Products Ltd., Winnipeg, Manitoba (s) the Arnprior Ontario Branch of Playtex Ltd., Malton, Ontario (t) Harden's Seed Service, Plum Couler, Manitoba?

2. In each case, how many of the positions reported were actually filled by persons referred to the firm by the local Manpower Centre?

3. In each case, what has been the approximate turnover rate for the positions recorded with Manpower?

Hon. Robert K. Andras (Minister of Manpower and Immigration): 1 and 2.

	Reported Job Openings	CMC Placements
(a)	80	60
(b)	118	105
(c)	2	2
(d)	15	11
(e)	49	30
(f)	Nil	Nil
(g)	12	6
(h)	36	26
(i)	7	5
(j)	76	37
(k)	481	442
(l)	60	43
(m)	140	114
(n)	3	Nil
(o)	5	2
(p)	10	9
(q)	2	1
(r)	8	8
(s)	282	105
(t)	3	1

3. This information is not available in CMC's.

JOB OPENINGS REPORTED TO LOCAL CMC'S

Question No. 5,187—Mr. Coates:

1. Since March 1, 1974, how many new job openings were reported to the local Manpower Centre by (a) the St. John New Brunswick Branch of Universal Sectors, Ltd., Markham, Ontario (b) the St. Anthony Branch of Fishery Products Ltd., St. John's, Newfoundland (c) the St. John New Brunswick Branch of Petrona Atlantic Ltd., Mississauga, Ontario (d) the *Port au Choix* Branch of Fishery Products Ltd., St. John's, Newfoundland (e) *Produits Belle Baie Ltée*, Caraquet, New Brunswick (f) the Sawmill, Bernetz Township Quebec of *Abieux Inc.*, Val d'Or, Quebec (g) *Le Meuble Ltée*, St. Charles de Bellechasse, Quebec (h) *Crèmerie St. Grégoire Inc.*, St. Grégoire de Nicolet, Quebec (*i*) the Rutherglen Branch of Goodman-Stanforth Division of UOP Manufacturing Ltd., North Bay, Ontario (j) Elk-Lake Planing Mill, Ltd., Elk Lake, Ontario (k) the Arnprior Branch of Noranda Metal Industries Ltd., Montreal, Quebec (l) Natural Recovery Systems Inc., Moncton, New Brunwick (m) Jos. A. Likely Ltd., St. John, New Brunswick (n) the Point Edward Plant of Thomas K. Fiander Ltd., Sydney, Nova Scotia (o) the Sawmill of Berion Inc. of Notre-Dame-du-Lac, Quebec (p) St. Lawrence Paper Bag Ltd. of Quebec (q) *Les Entreprises J.H. Grenon Inc.* of Ste-Anne-des-Plaines, Quebec (r) the St. Laurent Branch of Trans World Record Corporation, Montreal, Quebec (s) *Les Emballages de Spécialitées Ltée*, Montreal, Quebec (t) *Boulangerie Samson Inc.*, Lauzon, Quebec?

2. In each case, how many of the positions reported were actually filled by persons referred to the firm by the local Manpower Centre?

3. In each case, what has been the approximate turnover rate for the positions recorded with Manpower?

Hon. Robert K. Andras (Minister of Manpower and Immigration): 1 and 2.

	Reported Job Openings	CMC Placements
(a)	Nil	Nil
(b)	200	191
(c)	6	2
(d)	1	1
(e)	11	11
(f)	116	97
(g)	5	4
(h)	8	5
(i)	215	186
(j)	13	5
(k)	56	28
(l)	30	25
(m)	45	22
(n)	7	7
(o)	2	1
(p)	14	9
(q)	3	1
(r)	73	31
(s)	Nil	Nil
(t)	12	9

3. This information is not available in CMC'S.

JOB OPENINGS REPORTED TO LOCAL CMC'S

Question No. 5,188—**Mr. Coates:**

1. Since March 1, 1975, how many new job openings were reported to the local Manpower Centre by (a) Chemcrest Corporation Ltd., Division of Willman Windows Industries, Winnipeg, Manitoba (b) True Foam Insul-Products Ltd., Halifax, Nova Scotia (c) *Confection Johanne Inc.*, Louisville, Quebec (d) the Compton Branch of *Les Produits Forestiers Procompt Ltée*, Montreal, Quebec (e) Autoline Products Ltd., Winnipeg, Manitoba (f) West Pac Sportswear Mfg. Ltd., Saskatoon, Saskatchewan (g) Boeing of Canada Ltd., Winnipeg, Manitoba (h) Terra Nova Shoes Ltd., Harbour Grace, Newfoundland (i) *Meubles Amqui* Furniture Inc., Amqui, Quebec (j) Antica Inc., Ste-Anne-de-la-Pérade, Quebec (k) Spinto Ltd., Granby, Quebec (l) *Vadnais et Vadnais Inc.*, St. Florence, Matapedia, Quebec (m) the Plessisville Branch of Nazaire Frontier Inc., Quebec City, Quebec (n) the Dunham (Missisquoi) Quebec Iron Foundry of Daigle Aqua Inc., Longueuil, Quebec (o) *H.L. Boisvert Inc.*, Coaticook, Quebec (p) the Pembroke-Stafford Township (Ontario) Branch of Boire and Verch Construction Ltd. (q) Progress Plastics Ltd., Winnipeg, Manitoba (r) the Nelson B.C. Branch of Nelson Ready Mix Contrete Ltd., Vancouver, British Columbia (s) the Bakery of Raven Enterprises Ltd., Winnipeg, Manitoba (t) Saskatoon Fresh Pack Potatoes Ltd., Saskatoon, Saskatchewan?

2. In each case, how many of the positions reported were actually filled by persons referred to the firm by the local Manpower Centre?

3. In each case, what has been the approximate turnover rate for the positions recorded with Manpower?

Hon. Robert K. Andras (Minister of Manpower and Immigration): 1 and 2.

	Reported Job Openings	CMC Placement
(a)	19	14
(b)	3	3
(c)	34	21
(d)	24	17
(e)	7	7
(f)	9	5
(g)	1	Nil
(h)	43	43
(i)	14	13
(j)	8	5
(k)	10	10
(l)	54	47
(m)	33	31
(n)	7	5
(o)	Nil	Nil
(p)	Nil	Nil
(q)	7	5
(r)	Nil	Nil
(s)	Nil	Nil
(t)	1	1

3. This information is not available in CMC's.

ST. LAWRENCE ISLANDS NATIONAL PARK—ACQUISITION OF LAND 1976-77 FISCAL YEAR

Question No. 5,204—**Mr. Cossitt:**

1. With reference to the Estimates for 1976-77, which show a sum of $1,100,000 budgeted for "acquisition of land" in the St. Lawrence Islands National Park during the current fiscal year, what is the land that has been acquired or is in the process of being acquired or which is intended to be acquired and what is the legal property description in each case?

2. Of this amount, how much is estimated will be spent on (a) Island (b) mainland acquisition?

Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development): 1. No properties have yet been acquired. The following properties are in the process of being acquired or are intended to be acquired subject to conclusion of satisfactory negotiations: A and B as described under the answer to Question No. 5,202. C. It is considered that the release of any further information may prejudice current negotiations and cause undue pressure on the persons with whom the Department is dealing.

2. (a) Only islands are being acquired at this time. No estimates are available at this time of total costs to be applied against the current fiscal year. (b) Nil.

[*English*]

Mr. Speaker: The questions enumerated by the hon. parliamentary secretary have been answered.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 3,967 could be made an order for return, this return would be tabled immediately. I ask that question No. 5,092 be made an order for return. I also ask the consent of the House at this time to furnish a partial reply and to table the balance of the information at a future time.

[*Text*]

MULTICULTURALISM PROGRAMME

Question No. 3,967—**Mr. Matte:**

1. Since the inception of the Multiculturalism Programme, has the Minister responsible for Multiculturalism granted subsidies and, if so, in what amounts?

2. For each such subsidy, what was (a) its purpose (b) the name of the association (c) the province (d) the year?

Return tabled.

METRIC CONVERSION PROGRAMME

Question No. 5,092—**Mr. Caouette (Témiscamingue):**

1. Since the implementation of the Metric Conversion Programme at the national level, how much was spent each year by departments to (a) educate the public (b) apply the new system to material essential to the proper functioning of the department?

2. How many persons are directly responsible for the implementation of the programme?

Return tabled.

[*English*]

Mr. Blais: Mr. Speaker, I ask that all other notices of motions be allowed to stand.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—ALLEGED GOVERNMENT FAILURE TO SOLVE ECONOMIC PROBLEMS

Mr. Sinclair Stevens (York-Simcoe) moved:

That this House, believing that the continuing tendency of this administration to reckless and at times contradictory intervention in the economy has created an atmosphere of uncertainty and lack of confidence with the public, and seeing that this uncertainty has resulted in rising unemployment, falling productivity, and unacceptable levels of real growth and inflation, expresses its lack of confidence in the government.

He said: Mr. Speaker, 769,000 persons are unemployed in this country. That is a national disgrace and a tragedy for those involved.

Some hon. Members: Hear, hear!

Mr. Stevens: With the unemployment level at 7.4 per cent nationally, and as high as 14 per cent in the province of Newfoundland, there can be no greater evidence of the failure of this government in its economic policies or lack thereof.

Some hon. Members: Hear, hear!

Mr. Stevens: Thousands of students coming into the labour market this summer now face the bleak prospect of little summer employment. This is inexcusable. Worse still, it may have lasting repercussions in that many of these students may not be able to complete their scholastic program without the revenue they had hoped to earn in the coming summer months.

Today, the Prime Minister (Mr. Trudeau) simply said, in answer to questions on this important subject, that the government was addressing itself to the problem. That is shameful. What has the government been doing in the past 10 or 11 years that would give the Prime Minister the nerve

to stand in this House and say they are still addressing themselves to the problem?

Some hon. Members: Oh, oh!

Mr. Stevens: The present administration leaves the impression that it is not concerned with unemployment because, after all, those who are out of work are cushioned with their unemployment insurance benefits. How short-sighted an attitude, when we bear in mind that some $4 billion is being expended on unemployment insurance benefits, compared to $758 million in the year before 1971 when the Unemployment Insurance Commission program was revised! We are now placing, and continue to place, an intolerable burden on those who are employed in this country, on the businessmen of the nation and on the taxpayers themselves who have to pick up the residual of benefit payments. This is an intolerable burden that need not have occurred had the administration been more prudent in handling our economy. That is the important thing to remember, and that is the thing this administration forgets.

It is not enough to say that those who are out of work are somehow not too badly off as long as their unemployment insurance benefits continue. The fact is that everybody loses when we have needless unemployment and the wealth of the nation falls. The important thing to which this government has not reacted to date is the review of the Economic Council of Canada entitled "People and Jobs". In that review it is pointed out that unemployment insurance revisions have now placed us in the position of being the most generous—if you like, the most liberal—industrialized nation in the world, having regard to our insurance benefit system.

● (1510)

The review points out that the eight-week minimum period after which one is entitled to draw unemployment insurance is by far the lowest minimum period of any nation with which we have to compete internationally. It estimates that .7 of 1 per cent of the unemployed—roughly 70,000 people in this country—are out of work, so far as the records are concerned, because they rely on an overly lax unemployment insurance system. The government knows this. It has hinted it may bring in legislation to tighten up the situation. I call upon the government to produce the legislation that has been talked about to tighten up the laxness in the unemployment insurance system that was so properly outlined in the Economic Council's report to which I referred.

We could perhaps not only save up to $350 million of that $4 billion of unemployment insurance benefits to which I have referred but, more important, it would ensure another 70,000 people who would be working and gainfully employed, which in turn would ensure that even more people would be employed.

That is the type of inconsistency to which we refer in our motion today in which we are asking members of the House to vote non-confidence in this government. Let us take a look at the last two years under this administration. I refer to 1974 and 1975. In those two years, in terms of real growth we have lost $330 for every man, woman and child in this country. That is the cost of the fall of real growth

during those years. This nation, with our resources, with our trained people and with our agricultural lands, should be able to achieve a minimum of 5 per cent real growth per year. We have not been reaching that level since 1973. We did reach a 5 per cent minimum growth level on average per annum in the previous 20 years, but in 1974 we fell short by 2.2 per cent, and in 1975 we fell short by 4.8 per cent. Maybe that is the reason the former minister of finance was fired. That 7 point drop to which I referred in 1974 and 1975 represents $7.7 billion in our gross national product which has been lost and which I suggest must be regained for the sake of the Canadian people. This shortfall of $7.7 billion, $330 for every man, woman and child in the country, goes hand in hand with today's unemployment.

This is the challenge facing the administration today: Get our people back to work. Get our real growth to a trend level of at least 5 per cent per year. Let us remember that the $330 per annum that is being denied the average Canadian today through the mismanagement of our economy by the administration is almost $1,000 per Canadian family. They should not be called upon to make that sacrifice for the mismanagement of this administration. That is the loss to Canadians as a result of the ineptitude of the administration which I should like to outline in some respects today. In getting our people back to work, we consider the private sector should be the primary supplier of jobs.

We would hope that in the forthcoming budget the administration will orient itself to magnify the influence of the taxpayers' money by providing more jobs in the private sector. For instance, we should allocate research and development funds to the industries that will dominate the future. One example would be solar energy, in respect of which a small investment—small, certainly, in relation to the way this administration likes to spend money—in research and development money can result in a very rapid increase in the number of jobs, literally tens of thousands of jobs for Canadians which could be created in that field alone. Such research and development should be encouraged by private industry in the regions of Canada where our unemployment is the highest.

At the present time, why should private industry in the United States and Canada be opening research and development offices in the Irish Republic, taking advantage of their tax incentives, when such activity could just as easily be taking place in our Atlantic area? Knowing the way this administration acts, I have no doubt that Air Canada is flying such people to create new jobs in Ireland right over our Atlantic provinces. This administration must recognize that it is not further government participation or intervention, nor is it further massive government make-work programs, that are needed. It must recognize that what is needed is restoration of confidence in our future.

It is imperative that the administration should stabilize its position. It should encourage the setting of suitable goals and policies, and then let the private sector get on with the job of reaching the goals to which I have referred. It is the administration's task to set the atmosphere within which the economy can flourish. It is the private sector which should be called upon to produce the results.

[Mr. Stevens.]

In speaking about the incompetence of the government, let me first touch on our debt management. On page 94 of the Economic Review that was recently tabled, the following is pointed out:

> Direct and guaranteed government-sector borrowing, which had more than tripled in 1974, increased by a further 35 per cent to $11 billion in 1975.

In short, we have had in the last two years a phenomenal growth in our debt so far as the federal and provincial governments are concerned. I suggest that growth in public debt has placed a needless pressure on the private sector and on the capital markets and has resulted in interest rates going up, to the disadvantage of all Canadians. I suggest, also, that indirectly it has created the unemployment we deplore so much. This load is perhaps more accurately reflected if we look at page 88 of the Economic Review. There, lo and behold, the government boasts about its Canada savings bond campaign. It states:

> The 1975 Canada savings bond campaign in the last quarter of 1975 was highly successful. It raised $3,182 million net new cash.

It is further stated:

> At the end of 1975 they represented 42 per cent of total government of Canada debt outstanding, compared with 40 per cent in 1974—

That Canada savings bond issue has done two things. It has tended to sop up the mortgage funds in this country which otherwise would go to private institutions for use in housing construction and the refinancing of present homes. The Canada savings bond issue is a contributing factor to the relatively high mortgage rates in this country, almost three percentage points more than we find, for example, in the United States. The second thing that I would point out about the government's handling of Canada savings bonds type of debt financing is that now they have, as is stated in the review, 42 per cent of the debt in this nation on a demand basis. That is not prudent.

● (1520)

Last evening, the Minister of Finance (Mr. Macdonald), when questioned on this point, agreed that in the current year he hoped that this tendency to such a heavy orientation to Canada savings bonds type of financing would be moderated. I am glad they have come to their senses, but I ask: Why did they not come to their senses in the earlier years when this problem was building up? Again, dealing with this question of credit, I would like to refer to page 99 of the Economic Review which points out that our banks are perhaps in the tightest liquid position they have ever been in their history. The review points out that the preliquid assets ratio showed an even greater relative decline in 1975, falling from 10.1 per cent in January to 8.1 per cent in December. In short, we have basically been running a credit-oriented economy, with the government leading the way in debt expansion, to the disadvantage of all Canadians and indirectly it has created and contributed to the unemployment that we deplore.

Speaking about the handling of the government debt, I think that we, as members of this parliament, would not be responsible if we do not recognize what has happened, for example, to the huge pension funds that are being administered by the government of Canada, and the provincial governments. The fact is that these pension funds have been used, over the past few years, 100 per cent to finance

government operations. We now know, through actuarially sound studies, that within three years the outgoings from these pension funds will be greater than the income. The net result will be that unless contributions to the pension funds are increased, there must be some type of a tax subsidy to honour the pensions that will be drawn from these funds in succeeding years. I think it is important, when we are analysing the economic situation in the country, that we not cloud these issues.

Let us look at what the government of Canada has done with respect to the pension fund in relation to our civil service. It is common knowledge that they borrow from the pension fund of civil servants. In private industry it is illegal to do that. No company in Canada is allowed to set up an employee pension fund and then turn around and borrow from the fund in order to operate and, in the case of the federal government, to help cover a deficit that they need not have run up in the first place. This is the type of inconsistency that we feel warrants the members of the House stating they have had enough, that they have lost confidence in this government and that they will support the motion we are suggesting today.

Some hon. Members: Hear, hear!

Mr. Stevens: Another broad question is the general one of the government's interference with the business community, the over-regulation of business. I may, perhaps, bring this aspect of government activity into focus by referring to a recent article reporting a confrontation between Mrs. Ostry and Mr. Barkway. Mrs. Ostry is quoted by the Canadian Press in an article which reads in part as follows:

> Canadian businessmen continue to wrongly regard government competition regulations as illegitimate interference in their affairs, Sylvia Ostry, Deputy Minister of Consumer and Corporate Affairs, said Friday.
>
> "Businessmen in Canada refuse to accept that competition policy is an ally of business... its central role is to strengthen private enterprise.

Then Michael Barkway, in effect, put her in her place. On the same platform he stated:

> It seems to me there is great semantic confusion about the word competition. Your department believes in market forces—

He was speaking to Mrs. Ostry.

> —until the point where it doesn't like them, and doesn't consider them to be in the public interest.

The article continues:

> Mr. Barkway said business could not accept the government's position that firms should not be allowed to extend their market position or power.
>
> "How else can competitive forces operate?" he asked.
>
> He went on to point out the irony of having a government that feels it ought to regulate competition in the private sector while its own bureaucracies find themselves competing for both power and the taxpayers' dollar.

We urge the government to cease the habit of over-regulating the private sector and then expecting that sector to produce results, including the jobs that we need in this country. I suggest that the administration hesitates to tell the Canadian public what they foresee in our future. Last evening, the Minister of Finance stated that unemployment would not go below 7 per cent this year. He hoped inflation would go down to 8 per cent. He stated that our real growth would be from 4.5 per cent to 5 per cent. The minister would not even hazard a guess as to what might happen in 1977.

By contrast, the administration in the United States is now required, by law, to bring in a budget, not just for 10 months or 11 months as we will have on May 25 this year: in the U.S. they are required to bring in a budget for the following two years. They also, by habit, give an indication of the future five years as far as the American economy and the budgetary position are concerned. There is absolutely no reason why this administration should hide their activity, as they have been doing, with a shroud of secrecy. They must have their own analysts; this information must be available to them. Surely they are not operating completely in a vacuum. Why will they not reveal to the members of the House and to the public of Canada what they foresee our future will be? In this connection, the Institute of Policy Analysis of the University of Toronto states:

> Unemployment this year will be 7.4 per cent by the fourth quarter and 7.7 per cent by the fourth quarter of 1977.

That is most alarming. They anticipate that our real growth over the next three years will not even start to catch up on our seven-point lag to which I referred earlier. They see growth in 1974 and 1975 at only 4.8 per cent and 4.4 per cent, respectively. Let me put it another way. If the institute is correct, we are now, in May of 1976, in the middle of a five-year period in which each year we will have a real growth below our capacity. By 1978, if the trend continues and if the figures that the institute estimates to be realistic are achieved, we will be 10 per cent below capacity, which will represent 300,000 Canadian jobs that will not be available and that would be available if this administration were handling the economy properly—300,000 Canadians out of work through the shear incompetence of the present administration!

This failure in achieving our desirable goal of a minimum 5 per cent a year will be felt most severely by our younger people who should have every reason to believe that jobs will be available when they require them. With more prudent economic management we could achieve fuller employment and less inflation than is now contemplated by the government.

● (1530)

Let us look at some of the further inconsistent policies this administration has followed in recent years. It is these policies which are creating our problems today. They have put us out of phase with the economy of the United States. Let us think of the repercussions of that. In deciding not to counter inflation in this country until a year and a half after the Americans had moved to counter their inflation, we now find, for example, that our exports have fallen but our imports have remained relatively high. As a consequence, the trade deficit, with which we are all familiar, has heightened. Mr. G. V. Jump, of the Institute of Policy Analysis at the University of Toronto, has said that export growth will be the chief stimulus to increase output and employment over the coming quarters. But what is the position in which the administration has put our exporters? I suggest that they have been saddled with an

unrealistically high dollar in relation to the American dollar.

The administration has failed to facilitate sales effectively throughout the world, and in fact has jeopardized many of our Canadian industries through poor negotiations in GATT. As the administration makes our exporters less competitive, and even harms our existing industries, it deprives the people of future job opportunities which they would otherwise take. These trade problems resulted in a trade deficit of something like $5 million last year, and a further $5 billion this year. Speaking of last year, the trade deficit was more like $8 billion. This is how the administration had to cover that type of deficit: it first sold almost $3 billion of non-renewable resources which we will never have again. That is how the administration covered $3 billion of the $8 billion deficit it had with the rest of the world.

Second, the administration encouraged the borrowing from foreigners of $4.7 billion, which in turn will aggravate further balance of payments problems because we will have to pay interest of approximately $400 million year by year on that staggering amount. Third, it allowed our foreign exchange reserves to run down by approximately $400 million. That is the present administration in action. How can this House have any confidence in it?

Let us again look at the tourist imbalance. That is perhaps another example of what has happened as a result of our economy being out of phase with the American economy. Last year, our deficit on the tourist account alone was some $700 million. And what do we find? The Department of Industry, Trade and Commerce, in reference to tourism, proposed to spend $1 million less this year than it did the year before, in spite of the fact that our tourist deficit had jumped $400 million. How inconsistent can you get in governmental action?

Again we have the odd situation that, faced with an imbalance of over $700 million with regard to tourism, we now find, to use the words of the Minister of Manpower and Immigration (Mr. Andras) in the question period today, that for obvious reasons the government is going to see there will be greater scrutiny of those coming into the country. Frankly, the reasons are not obvious to me. It is not obvious to me why there should be greater scrutiny of over 30 million people who come to this country year by year.

An hon. Member: Thirty-eight.

Mr. Stevens: Thirty-eight million. It is certainly not obvious to me why there should be that type of discouragement of those who would ordinarily want to come to this country as tourists and who, if they did come, would perhaps lower the deficit to which I have referred. In this time of inconsistency, which I feel is very great, I am a little surprised that even hon. members on the administration side do not realize that it is time they put the nation a little ahead of political expediency and did not support this government any longer.

Let me touch on the question of the government's handling of our money supply. In the Economic Review, at page 91, there is an interesting chart which shows the money supply trend and growth since 1972. I recommend that hon. members take a look at it, because if they want to see the clearest indication of why we went through, and are in, the inflationary period we are, they do not have to go past that chart. The inflation we had in Canada was substantially political inflation inspired by a federal government which could not control its own spending, and as a result allowed the money supply in this country to grow at too fast a rate.

Last evening the Minister of Finance agreed that the money supply growth in the period from 1970 to 1972 aggravated inflation in this country. I suggest the money supply growth, on a 15 per cent growth line since 1972, as this chart shows, heightened that inflationary pressure to which he referred. That is one reason hon. members of this House should support my motion today.

Speaking about inconsistencies, here we have a government which is deploring rising wage levels in Canada, in that the government says they are getting out of line with the United States. That may be so; but who is really responsible? What else does the administration expect, when it has chosen to give our senior bureaucrats $66,500 per year, compared with the highest paid government worker in Washington who earns $44,000. That is more than 50 per cent more for senior bureaucrats in Canada than for their counterparts in the United States. However, let us look at the other end of the scale.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member. If he wishes to continue, he will need the unanimous consent of the House. Is there unanimous consent to allow the hon. member to continue?

Some hon. Members: Agreed.

Mr. Knowles (Winnipeg North Centre): Two minutes.

Mr. Deputy Speaker: Is there consent, or not?

Some hon. Members: Agreed.

Mr. Stevens: I thank hon. members for their indulgence.

Mr. Knowles (Winnipeg North Centre): "And I will be brief"!

Mr. Stevens: And I will be brief. I just indicated that at the senior level of our bureaucracy, our bureaucrats are earning 50 per cent more than their counterparts in the United States.

An hon. Member: And worth half as much.

Mr. Stevens: However, let us look at the other end of the scale. This administration has taken the lead in raising our minimum wage so that today it is 40 per cent higher than the average minimum wage in the United States. Our federal minimum wage is $2.90 for those over 18 years of age, compared with the minimum wage in, for example, New York State, which is $2.15. When we have a minimum wage 40 per cent higher than in the United States, and our highest-paid bureaucrats are paid 50 per cent more than their counterparts in the United States, does the administration not accept responsibility for what it now claims is a problem, namely, that our wage levels are getting out of line with our main trading partner, the United States? The truth is that it is the lead of this government which has

triggered this situation. How can hon. members have confidence in this government when its past record is full of this type of inconsistent action?

● (1540)

In conclusion, Mr. Speaker, what could be more inconsistent than having an administration which fought an election on the single plank of being opposed to wage and price controls, then within a year they flip-flopped over and imposed on the entire nation, not a limited wage and price control program as far as time is concerned, but one that is to run for 39 months and could run even longer. Mr. Speaker, the country has lost confidence in this administration. It is time this House reflected that lack of confidence by voting for our motion today.

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, it is almost impossible not to support this motion, in view of the inconsistent behaviour of the government in regard to its policies. I wish it were possible to oppose the motion, after listening to the hon. member who preceded me and the paeans of praise that he put forward for the United States as a model for us to emulate. I should hate to see us do that, as bad as our economic performance is, because I do not think the United States have done much better. If anything, they are starting to move in the direction of more public service employment because they have less room in the private sector to create jobs. There are a number of bills before Congress now calling for the government to provide jobs where the private sector does not provide them. Having got that out of the way, Mr. Speaker, you will understand that my support is for the motion in the broadest sense—for the government's inconsistent policies, rather than for some of the arguments put forward on behalf of the motion.

The government has pursued the kind of policies that would make a great television comedy. You will have seen some of those comedies in the past, where a man goes to turn on his hot-water tap in the bathroom and gets symphonic music, or he turns on a gas range and water spurts in his face. This is the sort of thing that has been happening. Let us look at the government's approach to employment, starting with the budget of June, 1975, when the then minister of finance, Mr. Turner, admitted that the world recession was turning out to be more prolonged than expected and that Canadian unemployment had reached 7.1 per cent. It is now 7.4 per cent. He introduced so-called "direct" employment measures. In December, $91 million was taken out in spending cuts designed to reduce unemployment. Just before coming into the House today I noticed, with some interest and some degree of approval, a column by Don McGillivray in today's Ottawa *Citizen* in which he referred to that budget. He wrote:

> Take last year's budget, introduced at a time when the Canadian economy was in the trough of a recession. Instead of doing anything to stimulate growth and create jobs, it raised taxes, energy costs and unemployment insurance premiums.
>
> In September the Bank of Canada began pushing interest rates up, another proven means of slowing economic growth and thus producing more unemployment. In March of this year the bank gave another push upward on interest rates.
>
> In October, the government introduced its wage and price control package, One of the effects was to restrain incomes and so hold down demand at a time when the economy was running well below its capacity because of sluggish demand.

Economic Conditions

In April, 1976, the Economic Review reported:

> —there is no doubt that the strength and timeliness of the income support given to Canadians . . . between November, 1974, and June, 1975, were among the most important factors (in the milder recession experienced in Canada vis-à-vis the U.S.)

I hope the hon. member for York-Simcoe (Mr. Stevens) listened to that. The only thing that saved us from a depression like that of the thirties was the fact that the economy had built-in stabilizers such as unemployment insurance and the old age pension. Payments were going out to the economy, and that prevented us from the depth of recession felt by the United States which did not have those built-in protectors.

Given that analysis to the Economic Review, the government then cut the indexing of the family allowance for 1976, a measure that would have helped increase family income and would have supported consumer spending. They did not understand the implications of their own support programs. If they had been serious about combating unemployment, obviously they should have maintained purchasing power in the economy, rather than cut these programs. But they went beyond that: they said to all provincial governments that it was time for them to follow federal government policies; that they should cut their support programs and their expenditures for people on the street and let them collect unemployment insurance. In effect, "Let the unemployment figures go up."

They did that with medicare, saying they could not get provincial co-operation and were going to set the ceilings on their own. The provinces started to get the message, and the province of Ontario, for instance, closed some hospitals and threw nurses and hospital personnel out on the street. Somebody will have to pay for that: it will have to come out of unemployment insurance. Meanwhile, the jobless figures go up. If there is a time to prune hospital expenditures—and nobody argues that some pruning does not have to be done from time to time—it should not be done in the midst of the period of highest unemployment since 1951. That certainly does not show any consistency on the part of the government toward its objective of reducing unemployment.

Until the introduction of the Anti-Inflation Board and the government's so-called wage and price controls, they had taken the position that inflation was essential—a demand-pull kind of situation. They fought an election on that position. When they were not saying that, they were saying inflation was caused by international events over which they had no control. There was some merit to their statements at that time; international oil prices had risen by about 400 per cent and food prices, because of world demand, had risen by 200 per cent and in some cases higher. It was quite obvious that the price of raw materials and many of the production factors that we had taken for granted were increasing enormously.

Suddenly there is a road to Damascus, however, and the government moves from Keynes to Galbraith. The analyses change. Inflation apparently is no longer caused by demand-pull; it is caused by cost-push. The justification for the whole AIB program is to deal with cost-push inflation. They were wrong and contradictory in both cases. Mr. Speaker.

This government seems to want to take extreme economic views. In the original analysis of inflation being caused entirely by international events, they overlooked many elements of inflation that arose in our country and which we could have dealt with. The same is true now when they say that inflation is essentially a cost-push situation. There are still international factors which make inflation an ongoing problem in this country. They cannot deal with it just through the anti-inflation measures they introduced. It is quite obvious they were looking at the consumer price index, and it is clear that the prices that are declining are those which stimulated the inflation of a year or two ago. The price of food has come down, and that is putting a good face on the consumer price index.

In the ten budgets that the government has presented since 1965, only three have come close to achieving its objective. The 1965 and 1966 budgets were supposed to be mildly restrictive in effect, but turned out to be restrictive. The 1967 and 1968 budgets turned out to be restrictive in effect, which was unfortunate. In those years when unemployment began to climb, we needed expansionary, rather than restrictive, budgets. Only once, when the government had been dead wrong in its original analysis, did the government predict accurately. According to Economic Council of Canada figures—and this is not my observation—only three out of ten budgets came anywhere close to achieving the objectives the government had set.

● (1550)

If we look at the government's present analysis, what does it say? The government position is that to deal with present-day inflation and the problems of Canada which are the result of cost-push factors, we need to implement an incomes policy in this country. It is difficult to support a government which begins by saying that it must do something but does not follow through. We can say, I think, that a policy of selective incomes controls can be useful. But an incomes policy, by its nature, is unfair. Without doubt, the government's present incomes policy is grossly unfair to this country's wage and salary earners, as they directly, more than any other segment of society, are asked to pay the cost. You can tolerate unfairness if the result is worth while. I am sure that workers of this country would agree to limit their incomes if it could be shown that by so doing the economy generally would benefit or the entire population would be treated more fairly.

The government can assure fairness only if it does two things, and judging from the way the Minister of Finance (Mr. Macdonald) replied to my question during the question period yesterday, he does not intend to do these things when he brings down the forthcoming budget. First, the government must ensure a fairer distribution of income in Canada. At present, income is distributed unfairly. In the last 20 or 30 years there has been virtually no change in the way our income is distributed. Actually, the people at the lower end of the incomes scale have been hit harder by so-called tax changes than those at the upper end. This must be corrected and the government must bring in measures which will lift some of the burden from the shoulders of the lower and middle income groups, to compensate for the injustices created by the anti-inflation program.

[Mr. Saltsman.]

The government must do something else and has no excuse for not doing it. It must move immediately to stimulate the economy and to create full employment. I heard the hon. member for York-Simcoe talking about the lead-swingers who collect unemployment insurance. I do not say that all people receiving unemployment insurance are entitled to it, but I ask the hon. member for York-Simcoe to say how he can sort out the people who are entitled to unemployment insurance from those who are not, from those who do not want to work, when there are no jobs. How can he do it when there is a short-fall of almost 800,000 jobs and only between 40,000 and 60,000 job vacancies?

How do you know if a person wants to work or does not want to work? Also, by what right does anyone accuse labouring people of this country of lead-swinging, of not being willing to take a job, when there are no jobs for them? Jobs must be made available. True, abuses have crept into the unemployment insurance system. If there were no unemployment, it would soon be evident who was not willing to work. A man not willing to take a job should not be entitled to collect unemployment insurance. Nobody would defend him. But considering the enormous amount of unemployment in this country, it is unfair to accuse the working man of not wanting to work. When the hon. member accuses the government of inconsistency, I suggest he ought to look in the mirror.

In my view, and in the view of my colleagues, the government's top priority when bringing down the budget should be the implementation of policies to create full demand in the economy. A tax cut for the lower income levels and a demogrant for those who have no income to report is one of the most effective ways of creating demand and getting people back to work immediately.

Some hon. Members: Hear, hear!

Mr. Saltsman: Many hon. members agree, I think, that our economy must be stimulated. Hon. friends to my right think that you should not do it by cutting personal income taxes or giving demogrants to the poor, which will enhance purchasing power; they think you should do it by giving benefits to industry. We have travelled that road. No government has been more generous to industry than this one in the last two or three years. But their generosity has been wasted, since unemployment has not been higher for 15 years. Industry does not need to be stimulated to produce. Industry will produce if there are customers willing and able to buy what it produces. There is a great deal of unused industrial capacity in Canada, so there is an obvious case to be made for increasing demand.

At present we are using only 79 per cent of our industrial capacity. Obviously, we do not need more machinery, more industrial stimulation, more depreciation allowances, lower corporate taxes and so on; that is not the way to solve the difficulty. We need more purchasing power in this country, purchasing power we lack.

In the past, the government could argue this way, "We dare not stimulate the economy and create full employment because we have demand-pull inflation and by stimulating the economy we shall greatly increase the rate of inflation; therefore we must trade off a high level of unemployment against lower inflation in order to maintain

price stability." Of course, that policy did not work. We argued against it, and events proved us right. The government has no excuse these days. Inflation, according to the government's own definition, is created by a cost-push situation. The government introduced restrictive wage controls to prevent cost-push inflation taking place. The only justification for those controls, if there is any justification, is that they can now be used to stimulate the economy. The government cannot make the hoary excuse that we dare not create full employment because of the effect on prices. But that, apparently, is one of the great inconsistencies to which the government still clings.

My time has almost ended. I wish I had more time to go through the long catalogue of the government's failures. In the past, the government's analysis of the economy has all too often been wrong. Furthermore, analysis has not been translated into policy. All too often the government has predicted wrongly what would happen in the economy. No government can plan perfectly. One cannot expect any government to plan perfectly and implement the right policies all the time. But we insist on there being some logic in the way the government behaves. We say to the government that on the basis of its own analysis of the economy, logic dictates that the budget which is to be brought in later this month should be a full-employment budget, a budget which will enhance the purchasing power of those most in need, people in the lower income groups, in order to get the economy going again.

● (1600)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, this motion retains all its value in the present context of the Canadian economy. I congratulate the official opposition for introducing a motion which is quite relevant and which fits very well the existing conditions in Canada. I quote the motion:

> That this House, believing that the continuing tendency of the administration to reckless and at times contradictory intervention in the economy has created an atmosphere of uncertainty and lack of confidence with the public, and seeing that this uncertainty has resulted in rising unemployment, falling productivity, and unacceptable levels of real growth and inflation, expresses its lack of confidence in the government.

Mr. Speaker, this motion tells the truth. On the whole, economists admit that the present economic conditions in Canada are really appalling and the Government does not know where to turn to find solutions.

In fact, according to the latest figures disclosed yesterday, the number of unemployed in Canada is increasing, whereas the governments are contemplating higher taxes and proposing budgets which will require costly loans to repay past debts or merely the interests accrued from those debts.

That is the situation we are witnessing, Mr. Speaker, for even though the goverment suggests it is fighting against inflation we do have rampant inflation, and the Canadian worker, the working classes, the low wage earners are faced with a quite inadmissible situation in a rich country like Canada.

Yesterday, in the paper *Le Soleil*, we could read this leading paragraph:

Economic Conditions

> Ottawa to borrow more this year. Assessing at between $5 and $5.5 billion the federal government treasury needs for the 1976-77 financial year, Greenshields Inc. stated yesterday that this year Ottawa will have to borrow 37 to 54 per cent more than last year.

That is nice increase. And even if the gouvernment says that the inflation rate did not rise as much this year as last year, we will see in a few months to what extent inflation rates will have gone up at the expense of the people of Canada in general.

Mr. Speaker, only a few months ago we heard the Prime Minister (Mr. Trudeau) say that we would live in a new society, that in that new society we would see things unknown to us, new things we never dreamed of.

We already have entered this new society where private entreprise, private property is threatened from all sides, where free enterprise is also threatened from all sides by government controls. The only place where employment is up today is the public service, the administration of the federal government. There the number of new jobs is frightening, while private companies or free entreprise must slow down production because, as the hon. member for Waterloo-Cambridge (Mr. Saltsman) said a moment ago, consumers do not order goods because they do not have the money to do so. Prices increase continuously; we have just been informed of an increase in the price of gas, of oil for July 1; it is reported that gas may even cost $1.25 a gallon.

Mr. Speaker, the government is the first to ignore the legislation they produced or the Anti-Inflation Board they built from scratch a few months ago. Yesterday, we were advised of a terrible jump in the price of coffee because there was a drought in Brazil; it may even cost $5 a pound. If there is a drought in Brazil, there is perhaps no drought in Jamaica or in other coffee producing countries. The price of sugar also threatens to go up. Is there a lack of sugar canes? Of course not. There are also reports about higher prices for wood products. This morning, I ordered four by four cedar posts and they cost 67c. a linear foot which means that ten feet cost $6.70, and this is fairly small.

Mr. Speaker, the same thing happens everywhere. What does the Incomes and Prices Board or the Anti-Inflation Board have to do with that? It is all very well to appoint civil servants and hire people and new bureaucrats to look over or study the results obtained by the old bureaucrats, or other bureaucrats hired before them, but what results do we get? It is the same thing in every sphere.

When one sector is poorly managed, right away Ottawa is asked to help. For instance, the Olympic Games in Montreal. Ottawa was practically forced to set up a permanent national lottery to make up the deficit that should not exist at this point because, several years ago, I had the visit in my office of the Mayor of Montreal and His Excellency Mr. Rousseau who came to give me the plans for the Olympic Games and prove, figures in hand, that the Olympic Games would finance themselves through the olympic lottery. We all accepted that but today we find that it is not so, far from it.

I said a year and a half or two years ago that the Olympic Games deficit would reach $1 billion. I was told I was crazy, that I could not count.

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Mr. Speaker, yesterday the Quebec budget proved clearly that the deficit is now $1 billion, and the games have yet to be held. When they take place, we will reach the billion and a half, because they are a bottomless pit. That is inflation! The Olympic Games will cost at least four or five times the amount we were told they would. That is a problem. As for James Bay, we are embarrassed to talk about that one. I said that this development would reach $20 billion. But people said no way, Caouette can't add.

● (1610)

Mr. Speaker, by now we have reached $15 billion in expenditures at James Bay, while that project was to cost $6 billion at best. Outlays are expected to total $15 billion and the end is nowhere near. When the work is finished over there, we will have a debt of about $20 to $25 billion. Then, suppose for instance that the James Bay project will cost $20 or $25 billion, say with a 10 per cent interest rate over a 25-year period. Do they know that in 25 years we will have paid $50 billion in interest alone, and we will still owe $25 billion. This will mean a total of $75 billion. Will our great-grand-children have finished to pay by the end of their lives? No.

Billion of dollars are spent here and there without considering a terrible system forcing Quebec, municipalities, school boards and the federal government to borrow fabulous sums at astronomically high interest rates. The Montreal Olympic Games will probably cost $2 billion at 10 per cent interest over a 20-year period. We shall still be paying $4½ or 5 billion in interests only. And we will still be owing all the money that was put into the Olympic venture.

Mr. Speaker, it is about time the federal government should find other alternatives. We have been suggesting a variety of them in this House for 40 years; some thirty years ago, in 1946, I suggested to the House those very same solutions. In those days, our opponents, the Liberals and Progressive Conservatives, were laughing at me. Given the present system, if we replace the Liberals with the Progressive Conservatives, what would be the result? Would the interest rate be reduced? No. Both are supported by the same financial "gimmick". The federal government will have to borrow, this year, 37 to 54 p. cent more funds than last year.

But why borrow when the federal government has the authority to take action? Parliament can decide, because of its supremacy, to call upon the Bank of Canada and cash in on the physical facilities we have in Canada to develop our natural resources and create a financial and economic system which would guarantee each human being a decent life. That would put an end to labor conflicts such as the ones we now have. Day in and day out, all we hear about is a strike here and a strike there, federal strikes, provincial strikes, strikes everywhere. Nobody is satisfied. And the federal government says: we are going to satisfy everybody; we are going to organize bingos, lotteries, provincial lotteries, federal and municipal lotteries; church bingos. Then, we become a nation of "racketeers" as they say in English. This is opium to the poor: You see a fellow without a penny in his pocket or he may have a dirty old five dollar bill left and his wife is off to a bingo where she expects to win $6.50. Then, as usual she does not win anything; she has no money left to buy bread or butter for her children but she does find an old five dollar bill in her purse to go and play bingo.

Mr. Speaker, we are living in bingo territory. See what goes on in Montreal. Mr. Bourrassa himself will be allowed to play bingo in the province of Quebec. In Montreal, it is the same thing: Loto-Canada is not too readily accepted across Canada, by the other provinces. They say: "Wait a minute! You were supposed to finance this thing! Now, see to it! Then, we are going to ask the people in Vancouver—I understand that anyone is free to try his chance at the lottery, to buy a ticket or not, but we provoke people with our publicity on television, in newspapers: "the next millionnaire". There are people who are too poor to have their three meals a day, but they find the money needed to buy a ticket that will turn them into millionnaires. Everybody is so happy the day of the draw because millions of people think they will be the new millionnaires. Six or seven million people will have paid in to make one, two or three millionnaires.

Mr. Speaker, when we have come to the point of adopting such a system, do you not think that it is rather frightening? What can happen? Anything. If we look at what is now happening in the world, in Beirut, in the Far-East, in the Middle East, in Italy, in Spain, in Portugal, we realize that things are getting out of hand. People are no longer responsible. They do not care to be. Are our union leaders responsible people? They ask for salary increases which bring about price increases. Our workers gained nothing. They went on strike. If they did not have their present jobs, the strikers would beg for them. Once they get them, they strike again.

This goes to show how bright they are! This is the labour situation in the province of Quebec. They want jobs, and as soon as they get them, they let themselves lured into striking action. It is said to be bright, but I call it criminal. In Canada, in Montreal, or anywhere else, the strikes now prevailing are the direct consequence of the economic system but those people are not even interested in changing the economic system.

When election time comes, they say: Liberals are better than Progressive-Conservatives, then they vote for the Liberals. After, they get mad and go on strike. At the next election, they may vote Progressive-Conservative.

The hon. member for Waterloo-Cambridge (Mr. Saltsman) said earlier that under the Progressive Conservative government, we had a million unemployed in 1961, and that this happened in spite of the fact that we had the strongest government Canada has known since Confederation. This is why the Diefenbaker government was defeated, because of the unemployment rate in 1961. And the very same people today are saying that they would do better than this government. Come on! The same causes have the same effects. We must change the causes and not the parties. What do we get when parties change? If we are all caught by the neck and choking to death, nothing is changed.

Mr. Speaker, we must change the economic system, and this is why we have been making the following suggestion to the government for such a long time. Instead of borrowing from the United States or other foreign countries, and asking their permission to benefit from the development of our own natural resources, why do we not use the services

of the Bank of Canada, which is authorized to create money legally and intelligently according to our needs? Then we could say that our natural resources belong to us and not to the Americans. These resources belong to Canadians!

Mr. Speaker, people do not understand this. They think that Social Credit is something odd and they refer to the strange kind of money that Social Creditors advocate. What kind of stupid money do we now have? We do not have any, and we are always begging from the Americans the right to develop our own natural resources. It is quite a farce to see Mr. Bourassa paying his weekly visit to New York to borrow money to finance the James Bay project! Do the Americans lend money to Mr. Bourassa because he is Mr. Bourassa? The provincial government, and the federal government, say: The province's credit is good. Canada's credit is good. Canada's credit is so good that we may well sink the country all the deeper in debt. Its credit is good.

When Mr. Bourassa calls on the Americans, they do not say to him: "Mr. Bourassa, your smile is so inviting, your hair is so nicely combed, you were so well made up before you went on television." No. The Americans ask: "What is your collateral for borrowing $150 million? What about the natural resources of James Bay?" The Americans are no fools. They look at those ressources and say: "This is good, this is profitable, this will become extremely good. Therefore, we shall lend $150 million, not on the basis—

An hon. Member: A good collateral!

Mr. Caouette (Témiscamingue): Yes.

● (1620)

They do not lend money on their own property, they lend $150 million against a note signed by the provincial government which puts up all the natural resources of James Bay as collateral. Why should we go to the United States to do so, instead of going to the manager or the governor of the Bank of Canada and say: Listen, take the same resources, James Bay, the same thing; come up with a figure according to our needs to develop James Bay. Would that not be legal? Instead of paying an interest of 10, 11 or 12 per cent, we might have this credit from the Bank of Canada at cost, which would mean approximately 1 per cent, ½ of 1 per cent, ¾ of 1 per cent.

Mr. Speaker, why does the government not act in this direction? When the Prime Minister or the Minister of Finance are telling me that our credit is good, the Liberals clap their hands. They do not understand a thing about it but they still clap their hands. Let us keep on voting for the Liberals and continue selling—not selling, but giving away our natural resources to the Americans. And then we are amazed and shocked to see that the number of unemployed is increasing in this country.

That is another matter. Reference was made earlier to the unemployed. I look forward to the establishment in Canada of work insurance to develop our potential. We have roads, hospitals, public buildings to build. We have houses to build, homes rather than hostels for the aged, rehabilitation centres for our young delinquents, centres where they could be educated, taught a sense of duty and responsibility. When asked for government help, the Minister of National Health and Welfare (Mr. Lalonde) answers: There is no money. So things worsen, the young go to prison. This is costing enormous sums of money to the Canadian taxpayers. The government has no other solution but to encourage that kind of system, to maintain and finance it.

Mr. Speaker, it is time we stopped to think. Inflation comes from somewhere. It is not caused by too many products, but by not having the purchasing power to acquire them. Private enterprise is in jeopardy. The private sector, private business, free enterprise, everything is being sent down the drain. The young are not interested any more in using their abilities, because they are tired of working for the government's sake and paying taxes. Mr. Speaker, down with the tax system, down with the debt financing system created by Grit and Tory governments in Canada since Confederation. Let us have freedom, let the day come when credit and resources are controlled by us in Canada, not by the Americans.

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): Mr. Speaker, if you will allow me, I would like at the outset to read the motion again to be sure that my eyes have not deceived me. I quote:

> That this House, believing that the continuing tendency of this administration to reckless and at times contradictory intervention in the economy has created an atmosphere of uncertainty . . .

—and I underline "uncertainty", with your permission—

> . . . and lack of confidence with the public, and seeing that this uncertainty has resulted in rising unemployment, falling productivity, and unacceptable levels of real growth and inflation, expresses its lack of confidence in the government.

After careful consideration, Mr. Speaker, I take the liberty of reminding you that on March 24, the hon. member for York Simcoe (Mr. Stevens) moved a motion almost identical to this one. But at that time, he spoke of rashness and uncertainty.

I would also like to emphasize the fact that he has not invented anything, since, as late as last night, the same hon. member asked questions to the minister when the finance committee was considering the economic review of Canada and he then had the opportunity to question the Minister of Finance (Mr. Macdonald). He used about the same terms he has been using ever since he first came to this House. Therefore, I would like to say, Mr. Speaker, that the uncertainty, the rashness and everything else he is talking about did not stem from the positive action of this government but rather from what the hon. member has attempted to spread in the world of business and labour and at the other levels of government.

I remember quite well that for many months the Leader of the Opposition, the hon. member for Halifax (Mr. Stanfield), kept urging either the Prime Minister or the then Minister of Finance to act. Now that steps have been taken, they ask: Why did you do that? You have done the wrong thing, you have created a climate of uncertainty. Perhaps those people should decide exactly what they want.

Having faced the situation, I feel the government has taken clear positions. Members are certainly aware of the Anti-Inflation Act brought in this House and discussed at length. I think there has been concerns expressed by several members. Some were asking that certain points be clarified and the legislation has even been amended. It is not

easy for a government to respond to a situation, particularly in the business field, and I readily admit it. But having examined the complexity of the Canadian economy, the government has realized that there were some sharings which were not fair.

I think it was the hon. member for Waterloo-Cambridge (Mr. Saltsman) who said a moment ago that the distribution of wealth between the members of society was not fair. This was a valid point, I suggest, and it is precisely because the government took measures in various fields that there is now a more equitable distribution of wealth in Canadian society. Perfection is not of this world, but we can certainly aim at it and I try to improve that situation through the different projects put forward by the government.

As regards business, many labour organizations have said that business was not affected, that it did not know what was going on and that the manufacturing industry could do as they liked. Therefore, I think I must point out that the facts are quite to the contrary. When the Anti-Inflation Act was first implemented, it was perhaps true to say that the regulations affected some workers more than some industries.

It was necessary to require a report to test such a system. The reports having been submitted, we certainly noted the reaction of the business community which promised to go along, to submit reports, since the government had established guidelines not for salaries but also for the industries. The names of some industries not affected by the legislation were even suggested to the government. They now come under the act.

Members opposite were so kind as to fail to mention the improved economic conditions in Canada. In the report of the Economic Council—and I shall wait until later to quote from it—we see that compared to the situation in other countries, namely the United States and our main competitors: Japan and Germany, the economic climate in Canada is different and better than in most of our closest competitors. I must readily admit, Mr. Speaker, as I said earlier, that there is surely room for improvement. It is not easy. It must at least be recognized that in 1974-75 we faced a world-wide crisis which proved far more serious in the countries I have mentioned than it was in Canada. The government, having initiated those measures, must assume the responsibility for them. and I believe that every member should at least try to give the policies now under discussion and the legislation which was passed a chance to work out.

● (1630)

Last night, as I said earlier in the Committee on Finance, Trade and Economic Affairs, the opposition certainly did ask some questions but without breaking new ground, without suggesting anything new since the introduction of a motion by the same member last March. What they did was only to interpret some statistics, and I should like to stress at this point that it is not the statistics that are false, because they appear in the report, they are available, they were made public and everybody studied them, but it is their interpretation that is false.

The motion itself deals with productivity. I think that chart No. 9 in the Economic Review deals with productivity. There was certainly an improvement, as shown in the chart. Several conclusions can be drawn, but it should at least be admitted that there is a great deal of improvement, and members opposite should admit it. I referred to the world situation; it must be kept in mind that the Canadian economy, Mr. Speaker, is certainly affected by the world situation.

Our exports, 50 per cent of our manufactured goods, end up on the international market. If the situation I mentioned earlier resulted in 1974-1975 in a strong tightening in most of our trading partners, its impact was certainly felt in Canada.

Since then, the situation has changed. Now, they will not admit it, they talk about tragedies and what not. But let me very briefly point out a sudden turn which happened in the U.S. car industry. Particularly since 1965-66, Canada and the United States have entered into an auto pact which was worth while and needs to be readjusted—our officials are busy at it at present—but it should be said also that in the last few months, car sales in the United States have increased by more than 50 per cent.

The same thing happened in Canada. This has certainly resulted in a fairly large increase in car sales not only in the United States, but in Canada as well, since our industry supplies many parts to various factories and various companies which trade in Canada and in the States under this agreement.

Reference was made earlier to imports and I wish to deal with this subject as well. It is normal and healthy that people affected by imports should react. But if imports were to increase, Mr. Speaker, our domestic economy had to be such as to allow the import of some goods. In certain cases, they were not manufactured goods, but in others, the need was real.

A number of semi-manufactured goods which are not available in Canada have to be imported. For most countries I mentioned earlier, we had no choice and had to restrict our imports and in several cases cut them altogether. In so doing, we had to consider the well-being of their people has not reached the same standard as in Canada. Within our domestic economy, the inflationary trend I indicated continued, during the world crisis and is still being felt today.

Canada, and especially the government, is not satisfied with the results, though they are better than elsewhere; by all means, it wants further improvements. If we refer to the reports of the Economic Council of Canada, to those of Statistics Canada, in spite of the bitter criticism we heard from the other side of the House this afternoon, we see that the curve indicates a decrease in food prices despite the increase in wages. I will talk about that later if I have enough time.

I will deal briefly with employment because you know that the time allocated is rather limited. There are now more people working than never before in Canada. Statistics, which I could give you, although I believe that is not the purpose of the debate, show that millions of people changed jobs. Almost six million individuals changed jobs, in some cases volontarily, but others changed because industries have evolved and had to adapt to new products.

I think that by taking the necessary decisions, the government helped many of these people improve their situation. If you refer to the same report of the Economic Review, you will see that with the hourly increases, wages went up rather substantially—alarmingly in some cases. The increase was much higher. I do not say that they did not deserved it, but it was much higher than that of our closest competitor where go about 70 per cent of our exports. This is only one factor which prompted the government to clamp controls on wages and prices.

Productivity was also mentioned. I dealt with that a while ago. I even told you in which diagram you could find it. This productivity is obvious. Now, it may be considered that statistics are not always accurate. There were also—and I think this is one of the factors that must be mentioned—negotiations at that time. Either because of unions which were not asking everywhere for wages unrelated to productivity, or of employers or manufacturers who were charging prices that bore no relation whatsoever to the real market value of some items, the government had to step in. That is what it did, because all the economic factors were considered and then a decision was made. As soon as the decision was made, the Official Opposition started to clamour. This afternoon, I took the liberty of reading it out so that everybody will realize that the words used do not quite reflect the facts.

Having said that, I think that the decision made was a fair one. Companies realized—they were affected as well—conscientious employers did the same, followed by unions which, in most cases, I think, are adequately meeting their members' demands, that they had to face the actual situation, the economic position. They realized they had to negotiate not only an agreement from the viewpoint of the strongest economic element, but a real agreement designed to enchance the well-being of all Canadians, and in my opinion, the success and strength of Canada lie in three-party negotiations.

As regards inflation, I will only mention a few facts. If you look at statistics, you will find a real decrease in the inflation rate. Such facts are glossed over perhaps. Then, our friends opposite mentioned a few, but as the rate decreased, people outside the fields I referred to earlier, who do not take part in negotiations, namely retired people, low-wage earners who were among those most strongly urging the government to act, and that is one of the factors we considered when making our decision.

Mr. Speaker, I should like to read an excerpt from the Economic Review, on page 5 which deals with the fiscal and monetary policy. It is a paragraph that was overlooked by the hon. member for York-Simcoe (Mr. Stevens) and which surely describes in a very clever and accurate manner the real facts, and I quote:

> Fiscal and monetary policies were adjusted in 1975 to the changing cyclical and inflationary situation. The November 18, 1974 federal budget provided substantial fiscal stimulus to the economy, mainly to take effect in 1975.
>
> Provincial budgets . . .

● (1640)

This is a point which was missed earlier when we were talking about governments. I carry on with the quotation:

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> Provincial budgets in early 1975 added significantly to this expansionary thrust. Following the unsuccessful efforts in early 1975 to obtain a consensus of price and income restraints to cope with inflation, the June 23 federal budget began the process of government expenditure restraint intended by itself, and as an example, to offer Canadian spenders an opportunity to contribute to slowing down inflation. On a national accounts basis, expenditures on goods and services and capital formation by all levels of government increased 5.2 per cent in real terms in 1975, compared with 7.9 per cent in 1974; government expenditures increased at a slower annual rate of 3.1 per cent during the second half of 1975, compared with 5.8 per cent during the first half.

I could carry on as there are in this page many indications yet of the thrust given not only by the central government but by various levels of government with the results that are mentioned here. Now, I am concerned about some points in the remarks made by various members of the Opposition and I would like to come back to them. Mention was made earlier of the various government programmes and one in particular. Then it was quickly mentioned that the hon. member for York-Simcoe (Mr. Stevens) in particular in the figures he quoted, had omitted to say that the central government had made provision for a redemption, commitment and a redistribution to maintain the price of oil and then the price of heating oil at a much lower level than the world price. But that was not mentioned.

However, this favourable situation is appreciated by the consumer. But some of our colleagues do forget what has happened. The honorable member for Waterloo-Cambridge (Mr. Saltsman) spoke about family allowances.

It is true that they were not escalated but he did not mention that in his expenditures the government had previously tripled the amount of family allowances. Rather than being selective, I think I must recognize this quality in the hon. member for York-Simcoe but I did not know the hon. member for Waterloo-Cambridge had it. Instead of being too narrow-minded, we should bring true facts to this House and discuss them further, and I would be the first to listen but in those areas, figures should be chosen carefully. We can quote figures all day long but without ever coming to the facts. This is what I wanted to emphasize, Mr. Speaker.

Mr. Stevens: That is nit picking.

Mr. Trudel: I would say that the hon. member who just made that comment, the hon. member for York-Simcoe, has a really unique way of attacking; as he just did, by mentioning "nit picking", Mr. Speaker. When family allowances for the needy are tripled, and this is only one example, I will perhaps be told that I am being selective. I do not think that is "nitpicking" when relief is provided to people who really need it, a welfare benefit which was required and which the government has tried to restore.

An hon. Member: That's it.

Mr. Trudel: If we referred to a certain speech delivered on that side of the House, we would see what the term "nitpicking" really means. I think that I cannot be accused of doing that. I will now return to some points which he stated and I will be more specific, if I am allowed to do so. When he spoke a while ago, he used the word "shameful." I find it in French also. But I think it is "shameful", if I may

say so, it is not quite a French expression but we have a word that says the same thing in French.

Mr. Goyer: The word is "honteux".

Mr. Trudel: Yes, even if I think it is not the expression used in the motion, "shameful" expresses the point very well. If we go back to 1961, it is quite a long time ago, but at that time there was a Conservative administration—I did not say so, but the hon. member for Waterloo-Cambridge (Mr. Saltsman) did—and a million persons were unemployed.

I would invite the hon. member to see exactly what those people had at their disposal. When you are unemployed, most of the time it is not because you asked for it. This was mentioned earlier. People wake up one day without work and without revenue. I have often seen that either employers in some cases or unions in other cases are not quite willing to meet the demands of the unemployed.

But the unemployment insurance program was established by this government. It was said earlier it is abused. One needs only to add the figures. But that money was redirected into the economy, which forced large budgets upon the federal government. If there are abuses, as is often indicated, instead of sounding off loud statements, some effort should be attempted to find a way to direct the money within the budget to those who really need it because their plant was shut down, and maybe because their union would not negotiate because its emphasis is on some segments only in society, or because the employer himself wanted skilled labour. The federal government, through the manpower department or the unemployment insurance program, saw to it that employees or employers be confronted with reality. How are those moneys spent? This is what was to be determined when reference was made to huge sums of money. It is a fact. Maybe we should think it was for the well-being of society, and not because the government wanted to intervene in some area just for the fun of dealing with astronomical budgets.

It was indicated earlier that the Unemployment Insurance Act should be amended in depth. It should be remembered that there was an outcry by the majority of the people, especially in this House, when we discussed the legislation and amendments to the Unemployment Insurance Act. We heard other suggestions then. It may be allright to level criticism on a motion like this one, but when comes the time to vote on some legislation it is a different story altogether. Reality and speeches are two different things.

Reference was made earlier—and the hon. member for York-Simcoe (Mr. Stevens) also mentioned several funds—to pension funds. It is true that the government and governments, Mr. Speaker, use funds to finance certain projects both within the federal government and provincial governments, and that money is redistributed. The hon. member for Témiscamingue (Mr. Caouette), who has left, suggested using the Bank of Canada. That is a means of financing government projects, not only at the federal level but also at the provincial level. Only one province escapes that rule, the province of Quebec. The hon. member, I think, is smart enough to understand that if at some point your commitments exceed your revenues, a different program must be considered—an increase, different deductions. One must also think that those pensions give people a safeguard that did not exist until the government decided to provide it. Some of our colleagues made speeches—you certainly heard them—and said they wanted 40 per cent of the salary earned. The government plan gives about 25 per cent. I ask the hon. member to tell me if it is too much to ensure an employee who, in most cases, has no other income, 25 per cent of his salary. If that is the point he wants to make in this House, I think that is a shameful response. It is certainly not the attitude of this government.

Reference was made to creating jobs through the private sector. I agree with that idea—it was mainly the hon. member for Simcoe who raised the subject—and he has no difficulty convincing me. On the other hand, let us go back a bit and see what the government has provided in a budget to encourage private enterprise to create the jobs it seems quite anxious to create.

I heard him and some of his colleagues cry out: That is impossible, you are making concessions to private enterprise. Make up your mind once and for all.

Mr. Stevens: You did not hear me say it!

Mr. Trudel: I said, Mr. Speaker, and I repeat it, that he and members of his party said that, and I recognize that he did not say it. I accept and admit it, but he also ought to remember that there is not one law for the rich and another for the poor. Perhaps the interpretation—although I do not want to blame them—was not accurate the first time, but I do not think I changed my mind time after time. We were discussing last night in the Committee on Finance, Trade and Economic Affairs the borrowings and the bonds issued by the government. If the hon. member does not agree with the financing of the borrowings and bonds of the government, he might show us, because he will have the opportunity to do so, and I am sure the Minister of Finance will deal with this, how it could be done.

The brokers, everybody said it was a success. In some cases, perhaps not with regard to the last loan, but in the past, we had to stop the sales we were making because no one wanted to make them, and rightly so, for the private enterprise. I think the hon. member has rather special ties in that field, because he proved it in his speech, and the other levels of government have to go to the money market. I took note that he said the government had done nothing with regard to loans abroad.

If we go back a year or two, we note that the government asked other administrations to think about it twice before borrowing money on foreign markets. Since then, some did go to them in spite of the recommendations made by the Minister of Finance in this House, and made when the various ministers of finance met. Those who did not follow those recommendations found themselves with much higher rates of interest and depreciations which affected the debt financing they had to face.

There is, Mr. Speaker, another point I should like to discuss. The hon. member seemed to make much of what may be called "guestimates". In the United-States, not only there but also in France, it is the same thing: budgetary estimates are brought down, you have two years for the short-term budget and five years for long-term economic

projections. I had the opportunity to attend with the same member, a meeting with economists in the United States. As a matter of fact, the budget and the American policy were being discussed. It is quite true that there is a long-term projection. It might be pointed out also the the long-term projection is not—

● (1650)

[*English*]

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. parliamentary secretary, but his allotted time has expired. He may continue with the unanimous consent of the House. Does the parliamentary secretary have unanimous consent?

Some hon. Members: Agreed.

[*Translation*]

Mr. Trudel: Thank you, Mr. Speaker. I want to thank my hon. colleagues and I shall not be very long because I am sure that other hon. members want to take part in this debate. I could go on for a long time but I have a few points to add. I would like to say that the government is aware of reality. We have meetings with the various countries. Before concluding my remarks, I take the liberty of going back to another point I dealt with concerning the estimates.

I saw the estimates of one of the countries, namely the United States. The estimate was obvious but a deficit ranging from $42 to $115 billion was mentioned. I think that having an estimate does not settle anything, even in the long term. What we should do perhaps is to keep within the budget which was indicated by the President of Treasury Board and which will certainly be indicated by the Minister of Finance in his budget speech, so as to stick to the data and live the Canadian reality, live it in the face of the facts.

As concerns expenditures, there have been reduced receipts in past budgets. There must be some discipline, but everyone knows the rules, and I believe that the uncertainty which is evident in today's motion is far removed from reality. There are two other points that I should like to make. The first concerns job shortages forecast for 1980. I believe that the facts are quite different and that in certain areas, there will be a shortage of manpower rather than hundreds of thousands of unemployed. Maybe we should consider the fact that manpower departments exist to recycle people who did not have the opportunity to go to school so as to be able to face the realities of the labour market.

Mr. Speaker, I should like to close by saying this: We are faced with a concrete situation, the Canadian economy is improving, government programs have shown this, as have figures quoted in the Economic Review, in the report of the Bank of Canada, members of the European Council and other visitors have come here to congratulate the government and the Canadian people for having shown some discipline, and everything that has been done is now having these results, and I am certain that with the co-operation of all members of the House, we shall continue to control inflation and ensure that Canadians will find employment in their chosen fields.

Economic Conditions

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I should like to congratulate the previous speaker, my hon. friend from Montreal-Bourassa (Mr. Trudel), who made a good speech on behalf of the Minister of Finance.

It was a difficult speech to make. The minister's absence clearly shows the lack of interest of the government in our economic problems, but I want to ensure the House that the problems mentioned in the resolution of my colleague, the hon. member for York-Simcoe (Mr. Stevens), are quite serious. It is difficult to understand the attitude of the Liberal government. Now, Mr. Speaker, I prefer to continue in my mother tongue.

[*English*]

In the motion before us today attention is drawn to the words "reckless . . . intervention in the economy." I suppose we could consider it another example of reckless lack of intervention when the minister ignores the debate which is going on here today.

There seems to be little disagreement that inflation is a serious problem in Canada. However, I am not sure that the government realizes it, that there is only one cause and that the federal government is the only body which can cause and create inflation. All inflation comes from expanding the money supply. Credit is not inflationary, because credit is created by someone producing wealth and being willing to defer the consumption of that wealth. For example, when an individual borrows money, he can borrow it because someone else has produced wealth and is willing to forgo the spending of it at that particular moment.

The same is true when business borrows, when civic governments borrow or when provincial governments borrow. In every case the borrowing is created by someone having produced wealth, saved that money and not spend it. Therefore, there can be no inflationary pressure. One is simply trading one type of spending for another type of spending. But when the federal government borrows, it simply creates more money by paper entries in the accounts, and that is where the inflation comes from. Inflation is a little bit like pregnancy, because although there are many facets to the problem of inflation, just as there are to the problem of pregnancy, in each case there is only one cause. On that there is not much disagreement in Canada.

I refer the House to the remarks of the Prime Minister (Mr. Trudeau) in Hamilton last December. This was before his famous speech. He said:

> Yes, we could bring down inflation to proper levels in 18 months. But if we did it would mean tightening the screws so much and so fast, that we'd then be causing a slowdown in the economy and massive unemployment even more serious than we have now. So, it's possible to bring inflation down very quickly by tightening up very drastically the money supply, by having a very conservative fiscal policy and so on, joined to the guidelines.

In other words, the Prime Minister was saying that he knows what the cause is, but he was also saying at the same time that he was unwilling to accept the consequences of taking action to solve a problem of which he knows the cause. It might cause us to wonder why it took until now to recognize the cause of inflation. We have been operating under this administration for 13 years, eight of those under the present Prime Minister. The Prime Minis-

ter was supported in his views by Professor Lawrence B. Smith of the University of Toronto, who made a statement which the *Globe and Mail* considered important enough to carry in an editorial. Referring to inflation, Professor Smith said:

● (1700)

There is really only one explanation for our present inflation . . . namely that there has been too fast an increase in the rate of growth of the money supply.

If we all agree on the causes of inflation, then we should be able to agree on the solutions. I should like to refer to some of the other results of our anti-inflation policy in this country. First of all, many demands are caused by inflation, although people usually state it the other way around. The wage earner is forced to seek higher wage settlements so that he can keep up with inflation; merchants are forced to seek higher prices in order to protect themselves. The Canadian Bar Association and the Canadian Institute of Chartered Accountants together urged the government to make tax changes which would involve more than just indexing of exemptions. That would be some help, of course, but they feel that further steps are necessary in order to make permanent solutions available to taxpayers.

One thing they suggest, for example, is expansion of the limit of contributions made to registered retirement savings plans. Limits for those contributions were set in 1971 and have not been changed. They suggest that we need relief from taxation of illusory gains on property. If those things were done, the revenues of the government would fall. But this government wants to spend more money, so it is not hard to understand why it is reluctant to do these things. In Canada, savers pay taxes on their investment income, which is at times less than the rate of inflation. A prime example is Canada savings bonds. The government borrows money from taxpayers, taxes the income which is usually interest at about the same rate as inflation, and they pay capital back later in deflated dollars.

I have referred to reckless, and at times contradictory interventions. I should like to give a few examples of interventions which are hurting the people of this country. There was an article in the *Financial Post* of May 1 concerning the annual meeting of Bell Canada. It says it is a pity that the chairman of the Anti-Inflation Board was not at the meeting. If he had been, the article says—

He would have heard that big audience—1,225 of them, all ordinary, mostly elderly folk—stirred to applause by only one statement.

The article says that Bell's chairman described the Anti-Inflation Board's refusal to approve Bell's eitht-cent quarterly dividend increase as a "mistake". This decision directly affected 210,000 shareholders, most of them, as I have said, small investors and pensioners who rely on the dividends. It is interesting to note that Bell Canada is 98 per cent Canadian-owned. Most of them, as I have said, are little people and about 140,000 own fewer than 100 shares, for an investment of approximately $4,500. The company wanted to increase the dividend by 9.3 per cent, which is less than the rate of inflation last year. They were denied the increase. The minister has said that the Anti-Inflation Board would allow increases in dividends when justified, and one of those times would be if a company needed to raise additional capital for expansion. That was the ground on which Bell Canada made its application to raise additional capital, but even so it was refused.

Another article in the same issue of the *Financial Post* referred to the new rules of the CRTC concerning FM programming and the restriction of the number of commercial minutes to be sold by those stations. I do not want to get into a debate on that rule at this time becasue it does not apply here. It is interesting, however, that the CBC itself was exempt from the new rule, while independent operators lost advertising revenue at a time when costs of new programming were increasing. The anti-inflation guidelines prevent stations from raising their rates to compensate for loss of revenue.

Mr. Speaker, I have already referred to government intervention. The remarks of the Deputy Minister of Consumer and Corporate Affairs, made last week to the Financial Executives' Institute in Ottawa, is a case in point. Dr. Ostry said:

Businessmen in Canada refuse to accept that competition policy is an ally of business . . . its central role is to strengthen private enterprise.

Mrs. Ostry said that the pending revision of the Combines Investigation Act is not intended to be a detailed intervention in the economy but, rather, is to assist consumers and business in their respective activities in the marketplace and is "an alternative to more direct government intervention".

Mr. Speaker, the government holds that more intervention is an alternative, but they persist in taking the view that it is possible to help both sides at once. Anyone who has been involved in an adversary relationship knows that cannot be done. I think the Prime Minister indicated that he did not entirely disagree when he said in his famous December speech:

It's a massive intervention into the decision-making power of the economic groups and it's telling Canadians we haven't been able to make it work, the free market system.

That is the famous "free market" statement which I think gave him a lot of problems. I do not see how businessmen or individuals in Canada can think otherwise, given the government's intervention in the marketing of foodstuffs, for example. The Minister of Agriculture (Mr. Whelan) tells us that the purpose of marketing boards and controls is to avoid "highs" and "lows". We know that, because now all we have is "highs" and no low prices at all.

The millions of taxpayers' dollars that the government invests in unnecessary Crown corporations is a type of intervention. Take Canadian National Railways being in the hotel business, for example. That may have been necessary 40 years ago, but today we have plenty of good hoteliers who can make money and we do not need the government's intervention.

Radio is another example. These days there is no need for taxpayers to subsidize radio to the tune of $200 million a year. Many radio operators in Canada are prepared to build and provide the service. We have only to look at the telephone industry to realize that a simple licensing system would enable the government to ensure the service is provided without being in the business itself. There is also Petro-Canada which competes with the oil companies.

There are many examples. Another example is public works which come under a government department and

not a Crown corporation. The department claims to be able to provide office space to the government at low cost through facilities it has which are not available to the public sector. The work of the Auditor General made it quite evident, I think, that the success of the Department of Public Works is questionable, at best, and that there should be an alternative method of providing space. I believe that private enterprise could do it quite well without tying up millions of taxpayers' dollars. I do not know how Canadians can react any differently in face of the government's attitude to situations such as this.

● (1710)

That brings me to the second part of the motion, which refers to uncertainty and lack of confidence with the public, which has led to "rising unemployment, falling productivity and unacceptable levels of real growth and inflation . . . " The uncertainty must apply particularly to young males under 25 years, among whom unemployment is far greater than among those in the over 25-year old category. Of course, there are reasons for that. But do we hear suggested that the government's follies are at the root of these reasons? For example, this government offers the most generous unemployment insurance benefits in the world. There is absolutely no encouragement to work more than eight weeks. People are encouraged not to work. Therefore, a whole generation is growing up with no incentive to work.

In Vancouver, where we have the Habitat forum—it is to be an adjunct of the Habitat conference—there is an able man by the name of Al Clapp who has men nearing the age of 30 working for him, for low wages admittedly; but these are men who in most cases have never before had a job. I have a son at the University of British Columbia and hear all these stories about jobs university students cannot get. My son has a job. When he told his employer that he wanted to quit his job in August so that he could take a few weeks off before going back to university, the employer begged him to stay because he could not fill the job. We have heard of tens of thousands of jobs being available. I can only point my finger at this government and say it must change the circumstances which cause these jobs to remain unfilled.

The Economic Council of Canada has recommended that government jobs should be created and that benefits be cut off if they are not accepted. The Economic Council discovered that in 40 per cent of cases, unemployed people called on for a job interview did not show up. They were not interested. If one is offered a suitable job and does not accept it, one should not be entitled to benefits. In a case like that, benefits should be cut off. These kinds of abuses have been referred to previously. In 1975, unemployment rates, on average, were 15 per cent for males under 25 years and 10 per cent for females in the same age bracket. These young people represent one half of our unemployment statistics but only one quarter of the labour force.

It has been observed that in Canada the working poor make up a large percentage of all the poor. The poor work, and the young lie around and work only long enough to collect their benefits. That is the fault of the attitude this administration had instilled. I remember the postal strike of 1974, or was it 1975? I am not sure which year it was: we have a strike almost every year. I know that thousands of unemployment insurance cheques were left unclaimed in Toronto because their intended recipients were not able to travel downtown to pick them up.

The Economic Council of Canada study entitled "People and Jobs" says on page 5:

> —the minimum annual rate of unemployment rose from 3.6 per cent in the 1960s to over 5 per cent in the 1970s and, in periods of slack demand such as experienced recently, the unemployment rate exceeded 7 per cent—
>
> But, during the early 1970s, job vacancies climbed significantly without much moderation in the unemployment rate.

On page 6, the study says:

> Despite the recent slackening in output, Canada's rate of real growth averaged 5 per cent annually over the last ten years. However, most of this was due to employment growth rather than productivity increases.

If we cannot get people to work, there will not be any productivity increases. It continues:

> Since 1963 Canada's growth in output per man-hour has been consistently lower than that of all other OECD countries, except the United States.

I now turn to page 21, which deals with attitudes. The study found that Canadians are strongly motivated to work and said:

> The vast majority of Canadians would prefer suitable work to unemployment insurance, but about one out of three would accept unemployment insurance rather than work at the minimum wage—

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, whose allotted time has expired. He may continue if he has unanimous consent. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

An hon. Member: No.

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, the motion proposed by the hon. member for York-Simcoe (Mr. Stevens)—

Mr. Paproski: Caccia said no.

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Turner): Order, please. The hon. member for Davenport (Mr. Caccia) has the floor. If hon. members want to continue their crossfire, perhaps they should go behind the curtains.

Mr. Caccia: The hon. member's motion is drafted in his usual bombastic style and it is difficult to take it seriously. The motion speaks of "an atmosphere of uncertainty and lack of confidence with the public." There is evidence to show that the hon. member's contention that there is "lack of confidence with the public" is not supported by the people of Canada. For instance, when the government floats Canada saving bonds, they are sold in a shorter time than expected, and sometimes oversold. I ask the hon. member for York-Simcoe if this is an indication of uncertainty and lack of confidence on the part of the public.

Mr. Guay (St. Boniface): He is not here.

An hon. Member: He was here most of the afternoon.

Mr. Caccia: There is evidence showing that foreign investors wish to invest in this country. FIRA, the foreign investment agency, has been screening applications for some time and their number has remained constant. This means that foreigners look at Canada as a place in which they want to invest. I ask the hon. member, who is not in his seat, if he interprets that as uncertainty and lack of confidence. Every year, hundreds of thousands of would-be immigrants from all over the world try to come to Canada. Is this evidence of lack of confidence and uncertainty on the part of people throughout the world who look upon Canada as the place to which they want to go? Obviously, the answer is no. These three examples show how superficial is the motion, and the hurry with which the hon. member for York-Simcoe probably drafted it. If there is any lack of confidence, I suggest it is between the two ears of the hon. member himself.

Let us consider another part of the hon. member's motion. The hon. member spent some time talking about unemployment figures. I ask if he has ever taken time to look at employment figures. For instance, has he considered the increase in employment in Canada? For instance, in the period 1971-72, 236,000 new jobs were created in this country; in 1972-73 we had 394,000 new jobs; in 1973-74, 393,000 new jobs; and in the time from 1974 to the third quarter of 1975, we saw well over half a million, precisely 552,000 new jobs created in this country. Was the hon. member looking at that kind of evidence when he drafted his motion?

For instance, did he look at comparable figures applying to OECD countries? We learn, that our great neighbour to the south, whose population is ten times greater than ours, in the period 1974-75 created only 214,000 new jobs, or less than half the number of new jobs created in Canada. In the eyes of the hon. member for York-Simcoe, is that performance poor? Did he, for instance, look at the number of new jobs created in Australia, where the number of people employed in 1974-75 actually went down? In Canada, the number went by over half a million. In France in the same year, zero new jobs were created because employment went down. The same applies to Germany and Switzerland. In the eyes of the OECD, a neutral agency that looks at things above and beyond the political scene, Canada's performance was excellent, as reported by these employment figures.

● (1720)

What did the hon. member for York-Simcoe (Mr. Stevens) look at in order to arrive at his motion that speaks of uncertainty and lack of confidence? He speaks of rising unemployment. Did he also look at the phenomenal figures for rising employment? The same applies to levels of real growth which have been described by the OECD as among the best in the western world. They have been better than that of the United States. Over the years it has been among the best in industrialized countries. Where did the hon. member for York-Simcoe get his notion, information, facts or statistics on which to base his motion? It is difficult to say.

The motion also speaks of reckless intervention. Does the hon. member for York-Simcoe think that the Anti-Inflation Board is a reckless intervention in the economy? If so, why? Perhaps that is the reason he and his party opposed the amendments to the Anti-Inflation Board Act to provide an appeal procedure for labour: they were passed last week. If it was a reckless intervention, why did the hon. member for Lanark, on third reading, support the Liberals and vote with the government? He must have reached the conclusion that it was a measure worth supporting and not a reckless intervention on the part of the government.

What about tax reform? Does the hon. member for York-Simcoe consider that to be a form of reckless intervention? What about the solid system of unemployment insurance in this country which protects those in the poorer areas in Canada, areas where unemployment is not available on a year-round basis? Does he consider that a reckless intervention? Is that the platform of his party? Is that what he is going to tell the people of New Brunswick, Saskatchewan and Ontario at the time of the next election?

Does the hon. member for York-Simcoe think that direct job creation on the part of the federal government is reckless itervention? Does he think that subsidies to the aircraft industry to maintain its Canadian nature and provide employment for 8,000 to 10,000 aircraft workers is a reckless intervention? If so, why does he not say it? Does the hon. member believe that legislation with regard to foreign publications, like that which removed tax concessions for *Time* magazine and others, was a reckless intervention? That measure benefited Canadian publications as well as radio and television stations.

Is the hon. member for York-Simcoe against this kind of intervention on the part of Ottawa? If so, what intervention does he think the federal government, on behalf of the Canadian community, should introduce to stimulate the economy, protect the weaker elements in society and maintain Canada's position in the world? If you travel throughout the world, you are told by people of other countries that Canada is one of the finest countries in the world because it has been able to retain a good standard of living and a fine economy.

Some hon. Members: Hear, hear!

Mr. Caccia: This kind of motion tries to erode confidence in the government and create uncertainty. It is the kind of defeatism that members of the opposition would be the first to condem if it were allowed to happen. If that is the role that the hon. member for York-Simcoe thinks the opposition should perform, he is not doing a service to this nation.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I am grateful to the hon. member for Prince George-Peace River (Mr. Oberle) for letting me have a few minutes before he exercises his right on behalf of the official opposition to close the debate. My colleague, the hon. member for Waterloo-Cambridge (Mr. Saltsman), has already indicated that when the vote is called we shall be voting for the motion that has been placed before the House this afternoon. However, as my colleague also pointed out, it is the motion we are voting for rather than some of the ideas contained in the speech of the hon. member for York-Simcoe (Mr. Stevens).

An hon. Member: You can't have it both ways.

Mr. Knowles (Winnipeg North Centre): That is one of the most popular clichés, that you cannot have it both ways, but it happens many times. At any rate, when 5.45 comes it will be the motion for which we are voting, not the speech of the mover. The hon. member for York-Simcoe said something in his speech that I did not like. This is the reason I asked for about four or five minutes. He got on to the subject of pensions, and even though he was speaking to a motion that talks about uncertainty and lack of confidence, he said the sort of things that might increase those very conditions.

What I took exception to in particular was his complaint that the federal government is too free with pensions, that it escalates the pensions of public servants, RCMP and armed forces personnel, and so on. As the hon. member for York-Simcoe would have it, things are going to get out of whack. The fact is that the fund for the payment of escalation additions to pensions is still in the black. It could get a little below the line if it were not already part of the law that, starting January 1, 1977, the contributions to that fund will be 1 per cent rather than one-half of 1 per cent. Therefore, I see no danger of any trouble in that regard.

The hon. member was simply mouthing the kinds of complaints that we see in the *Globe and Mail*, a newspaper which frequently says nice things about me on its editorial page. However, in this area I beg to disagree. The complaint is that public servants, and others who come under federal jurisdiction get an escalation in their pensions due to the rise in the cost of living, which is something which others do not get and, therefore, is unfair.

● (1730)

By sheer coincidence, the President of the Privy Council (Mr. Sharp) yesterday placed on *Hansard* an answer to a series of questions of mine bearing the number 5,026. These were questions having to do with private pension plans. Although I have known from previous research that the situation was pretty bad, I was really shocked to discover that so far as the government is able to capture—that is the government's word—the statistics, 82 per cent of the individuals in Canada today who are working and are in pension plans are in plans that provide for no escalation after retirement. The other 18 per cent are provided with a certain amount of escalation, in some cases equal to the rise in the cost of living, and in other cases less than that figure.

I should like to say to my hon. friends who write for the editorial pages of the *Globe and Mail*, to those who deal with pension matters in the financial publications of this country, and to those who represent big business when they attend the Canadian pension conference, that what is wrong with the pension situation is not the fact that public servants and a few others have their pensions escalated so as to keep up with the cost of living; what is wrong is that all of the rest do not get the same escalation.

I insist that the time has come when it should be the rule that a pension is not a pension unless after retirement arrangements are made for the pension to be indexed or escalated, so when people retire they can at least keep up with the rising cost of living. I think they should be able to do better; I think they should be able to keep up with the rising standard of living. Indeed, I should also like to see the industrial composite applied to the escalation of pensions rather than just the rise in the cost of living.

I promised my friend for Prince George-Peace River that I would not trespass on his time, but there was this one point I wanted to make. Although I am going to vote with my colleagues for the motion of the hon. member for York-Simcoe, I did not like the attack that he made today on public pensions. I think they provide the lead to this country and that it is time pensions in the private field matched those in the government field. Or if that is not possible, it is time that consideration was given to enlarging the Canada Pension Plan so that eventually all our people will be covered under government pensions that are secure, rather than under private plans which in so many cases are insecure and which, to the extent of 82 per cent, according to the figures placed on *Hansard* yesterday at page 13395, do not have any escalation.

That is my point, Mr. Speaker. It is not a mistake that some get escalation; the mistake is that so many do not get it. I hope that we can soon correct this unfair situation.

Mr. Guay (St. Boniface): Would the hon. member permit a question?

The Acting Speaker (Mr. Turner): Would the hon. member for Winnipeg North Centre (Mr. Knowles) permit a question?

Mr. Knowles (Winnipeg North Centre): Yes, Mr. Speaker, if my hon. friend on this side will allow me the extra minute or two.

Mr. Guay (St. Boniface): I should like to ask the hon. member this question. If he is sincere and convinced of what he has just told us, namely, that he does not agree with the suggestion made by the opposition today in regard to pensions—and if he is, I agree with him wholeheartedly—how can he vote in favour of the opposition motion and go home with his conscience clear?

Mr. Mazankowski: Because he wants a new government, that's why. He wants to get rid of the Grits.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, when we vote, we vote on the motion before us. My conscience would not be clear if I voted against the motion, because I think the terms of it are correct.

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, before I address myself to the motion that is before the House, if Your Honour would allow me I should like to say this in response to what was said by my colleague from Winnipeg who spoke ahead of me. If we ever did realize his dream, which incidentally I share, and all Canadians in our society are assured of a comfortable life after making their contribution to this country and they retire from the active labour force, then we must ensure we also have a healthy business climate. In the context of modern-day pension guarantees, we must also ensure that this country has a healthy corporate business climate.

What my colleagues to my left often overlook is that all pension plans invest in corporations and business, including the pension plans that the great unions of this country

maintain on behalf of their membership. In order to guarantee a comfortable income through pensions we must continue to create the kind of climate in which corporations and business can flourish within a society such as ours.

It is incredible to witness a government that is so far removed from the reality of today, Mr. Speaker—a government that has not recognized just what is going on in the economic world outside. The government has completely overlooked the fact that our major trading partners, including those who share the North American continent with us, have brought their inflation under control. The Minister of Finance (Mr. Macdonald) overlooks the fact that the international con game of inflation is over. The government fails to realize that we are only cheating ourselves at this time when we think our trading partners will continue to accept our watered-down dollars, because they are losing their value. They are being passed on to those on fixed incomes and who receive sustenance payments from the federal government, such as senior citizens' allowances, unemployment insurance, family allowance and that sort of thing. As I say, Mr. Speaker, the international con game is over. We no longer have access to the global community. The European Economic Community has the problem under control, and so has the United States. We are fooling no one but ourselves.

One of my concerns at the present time is the lumber and wood fibre industry in this country. In terms of the deficits with other countries that it has been chalking up in recent years, there was a deficit last year of $5 billion, and it will be even worse next year. Most of the trade in wood fibre products is with the United States, and they are gaining a $5 billion trade advantage every year with this country. The United States enjoys a positive trade balance, particularly with iron curtain countries, as a result of its trade in agricultural products. Our lumber and wood fibre industry will be facing very stiff competition in the United States in very short order because that country will have to correct its trade imbalance with Russia by exporting lumber and pulp products to that country.

It is no secret that our productivity has declined and that the price of our lumber products has increased to the point where it is very difficult today even to compete with producers in the United States, never mind those who import from across the ocean. It is hard to believe lumber grows on trees any more, in view of the price of it these days. This is why we are all so concerned, particularly when you consider that the lumber and wood fibre industry is second only to our great agricultural industry. I fear for my country when the time comes that we will have to face the inevitable and use our wood products within the country only because we have priced ourselves out of international markets.

● (1740)

The problem of inflation, in my humble opinion, is not the number one problem, even though it is the cause of even greater problems which we are facing today. I refer particularly to the industrial warfare being waged in our country. One must remember that this country, with its potential, its great natural resources and the great heritage we enjoy, has achieved the dubious distinction of having the worst record in industrial relations. This is due to this

[Mr. Oberle.]

government's incompetence and to the people who elected this government instead instead of a group of people who offered a solution to the problems of inflation and the situation in which we find ourselves today.

This government waited too long to bring in prices and incomes controls, and when it did bring them in it was the wrong program entirely. The government has lost the trust and confidence, not only of the individuals in our country but, more particularly, of those groups which have the power to exert undue pressure on our economic system. I am talking particularly about the unions which have opted out or dropped this government as a lost cause and are setting out on their own causes, protecting their own interests.

Industrial warfare is being waged in this country to an extent that frightens me. It frightens me because I think of the record of those major industries which are performing essential public services. I refer to the railway which operates throughout the province of British Columbia, the work force of which is represented by eight different unions, each one capable of shutting down the operations of the railway. I ponder the question of what happens to the other seven unions which are not on strike. The members are, of course, on unemployment insurance while the strike is on.

It is for this reason I suggest the system has reached the point where it is consuming itself. This is no longer spiralling inflation but a crumbling of the foundation of the system which built this country and at one time made it great. We are in a situation today over which we have no control. The only solution to the problems which are even greater than inflation now, namely, those problems associated with industrial warfare and strikes which are destroying the welfare of this state, is a change of government.

This government has lost the confidence of every Canadian. It has removed itself from the will of the people and from the realities of modern times, to the extent that it should no longer have the right to bring any programs before us which are not in tune with the needs of our times. This government has removed itself from the principles of international markets and has totally ignored the programs which initiated the turn-around the people in the United States are experiencing. You do not have to go very far to see this: just walk across the border and order a meal.

The Acting Speaker (Mr. Turner): Order, please. It being 5.45 o'clock, it is my duty to interrupt the debate and put forthwith every question necessary to dispose of the proceedings now before the House, in accordance with section (9)(*a*) of Standing Order 58.

The motion is as follows: moved by Mr. Stevens, seconded by Mr. Baker (Grenville-Carleton)—

Some hon. Members: Dispense.

The Acting Speaker (Mr. Turner): Shall I dispense?

Mr. Knowles (Winnipeg North Centre): No. Read it so we will know what we are voting for.

The Acting Speaker (Mr. Turner): It has been moved by Mr. Stevens, seconded by Mr. Baker (Grenville-Carleton):

That this House, believing that the continuing tendency of this administration to reckless and at times contradictory intervention in the economy has created an atmosphere of uncertainty and lack of confidence with the public, and seeing that this uncertainty has resulted in rising unemployment, falling productivity, and unacceptable levels of real growth and inflation, expresses its lack of confidence in the government.

Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Turner): Call in the members.

The House divided on the motion, which was negatived on the following division:

(*Division No. 136*)

● (1750)

YEAS

Messrs.

Alexander
Alkenbrack
Andre (Calgary Centre)
Baker (Grenville-Carleton)
Baldwin
Balfour
Bawden
Beatty
Benjamin
Blackburn
Brewin
Brisco
Broadbent
Clarke (Vancouver Quadra)
Cossitt
Crouse
Darling
Dick
Dionne (Kamouraska)
Douglas (Nanaimo-Cowichan-The Islands)
Ellis
Epp
Firth
Fraser
Gilbert
Gillies
Graffrey
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Hees
Hnatyshyn
Hogan
Holmes
Horner
Huntington
Hurlburt
Jarvis
Jelinek
Johnston
Jones
Kempling
Knowles (Winnipeg North Centre)
Korchinski
Lambert (Edmonton West)
Laprise
La Salle
Lawrence
Leggatt
MacDonald (Egmont)
MacDonald (Miss) (Kingston and the Islands)
MacKay
MacLean
Macquarrie
Malone
Masniuk
Mazankowski
McCain
McCleave
McGrath
McKenzie
McKinley
McKinnon
Mitges
Muir
Murta
Neil
Nielsen
Nowlan
Oberle
Orlikow
O'Sullivan
Paproski
Patterson
Peters
Reynolds
Ritchie
Roche
Rodriguez
Rynard
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Blais
Blouin
Breau
Buchanan
Bussières
Caccia
Cafik
Campagnolo (Mrs.)
Campbell (Miss) (South Western Nova)
Campbell (LaSalle-Émard-Côte Saint-Paul)
Caron
Clermont
Collenette
Comtois
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Daudlin
De Bané
Demers
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Douglas (Bruce-Grey)
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● (1810)

Mr. Speaker: I declare the motion lost.

Mr. Benjamin: I rise on a point of order, Mr. Speaker.

Mr. Speaker: The hon. member for Regina-Lake Centre (Mr. Benjamin) on a point of order.

Mr. Benjamin: Mr. Speaker, I wish to draw to your attention that the hon. member for Lachine-Lakeshore (Mr. Blaker) came in not only after Your Honour had risen but when the count had started. I am sure the hon. member would not want to have his vote counted in this division.

Mr. Speaker: Order, please. I heard calls for points of order during the taking of the vote, but I must confess I missed the incident. The hon. member for Lachine-Lakeshore (Mr. Blaker).

Mr. Blaker: Mr. Speaker, the hon. member for Regina-Lake Centre (Mr. Benjamin) is quite correct. I was not certain, when I entered the chamber, whether I was still within the time. With the agreement of the House, perhaps my vote might be stricken from the proceedings.

Mr. Paproski: On a point of order, Mr. Speaker, I should like to bring to your attention the fact that the hon.

member for Humber-St. George's-St. Barbe (Mr. Marshall) could have done the same thing, but did not.

Some hon. Members: Oh, oh!

Mr. Dick: I rise on a point of order, Mr. Speaker. As a member of parliament from the province of Ontario, could I be advised whether the Electoral Boundaries Commission filed the appropriate report today, the last day for the province of Ontario, as it is supposed to do according to law?

Mr. Speaker: Order, please. It being after six o'clock p.m., this House stands adjourned until tomorrow at 2 p.m.

At 6.15 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, May 13, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT

TABLING OF REPORT OF ELECTORAL BOUNDARIES COMMISSION FOR ONTARIO

Mr. Speaker: It is my duty, pursuant to sections 19 and 21 of the Electoral Boundaries Readjustment Act, chapter E-2, Revised Statutes of Canada, 1970, to lay upon the table of the House certified copies of the report of the Electoral Boundaries Commission received this day from the Representation Commissioner for the province of Ontario and amendments thereto.

* * *

OFFICIAL SECRETS ACT

SUGGESTED INTRODUCTION OF MORE APPROPRIATE MEASURE TO DEAL WITH UNOFFICIAL DISCLOSURE OF GOVERNMENT DOCUMENTS—MOTION UNDER S.O. 43

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a motion to make under this Standing Order. The urgent and pressing necessity and circumstances are quite apparent from the facts. Whereas an historical analysis of the Official Secrets Act makes it quite clear this legislation was originally passed to deal with espionage and was never intended as a means of punishment to be used by those in authority who might have suffered bruised egoes, embarrassment or red faces through the publication of classified papers in connection with domestic matters, this House requests the government to forthwith review the Official Secrets Act, and in particular Section 4, and propose to Parliament more appropriate measures to deal with unofficial disclosure of such government documents taking into account the principle enunciated at the Nuremburg trials, as well as the overriding need for more open government.

Mr. Speaker: Order, please. Such a motion can be pressed only with the unanimous consent of the House.

Some hon. Members: Agreed.

Some hon. Members: No.

HOUSE OF COMMONS

CONDEMNATION OF USE OF PRIVATE INVESTIGATORS BY POLITICAL PARTIES—MOTION UNDER S.O. 43

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, I ask the unanimous consent of the House to deal with a matter of urgent and pressing necessity under the provisions of Standing Order 43. In view of recent disclosures that both major Canadian political parties, the ruling Liberals and the official opposition Tories, have engaged an international intelligence agency for the purpose of monitoring the activities of members of other political parties and in view of the fact that the intelligence agency in question, Intertel, Inc., has numerous ties to the United States intelligence community, many of their operators and directors being former employees of the CIA, the FBI or the national security agency, and in view of the fact that it is clear any information gathered through this agency would be available to the United States Government intelligence community thus making a complete mockery of any idea of Canadian sovereignty, I move, seconded by the hon. member for Sault Ste. Marie (Mr. Symes):

That this House condemn the use by any political party of private investigative firms for the purpose of monitoring political opponents or any government activities and that it especially condemn the use of a foreign intelligence agency which is clearly a free enterprise wing of the secret service agencies of a foreign country.

Mr. Speaker: Order, please. Pursuant to Standing Order 43 such a motion can be presented to the House only with unanimous consent. Is there unanimous consent?

Some hon. Members: No.

* * *

AIR CANADA

SUGGESTION AUDITOR GENERAL INVESTIGATE BILLING PROCEDURES—MOTION UNDER S.O. 43

Mr. Dean Whiteway (Selkirk): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity.

In light of continuing labour unrest in the Air Canada finance branch in Winnipeg and recent information from the Canadian airlines employees association stating that there has been no auditing of commercial ticketing and there has been no control system over Air Canada commercial ticketing plan, resulting in over 200 subscribers records showing unreported sales dating back to 1972; and in view of the fact that employees are being instructed to write off ticket billings which could indicate an uncollected receivable to Air Canada of over $2 million, I move, seconded by the hon. member for Winnipeg South Centre (Mr. McKenzie):

House of Commons

● (1410)

That the House direct the Minister of Transport to instruct the Auditor General of Canada to launch an immediate investigation into Air Canada billing procedures.

Mr. Speaker: Is there unanimous consent pursuant to Standing Order 43?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

CRIMINAL CODE

REQUEST FOR PROHIBITION OF PROPAGANDA IN FAVOUR OF HOMOSEXUALITY—MOTION UNDER S.O. 43

Mr. Armand Caouette (Villeneuve): Mr. Speaker, pursuant to the provisions of Standing Order 43, I request the unanimous consent of the House to move a motion concerning an urgent matter.

Considering that, since the adoption of the omnibus bill in 1969, homosexuals, not satisfied with being able to do what they want in privacy, between consenting adults, demand the right to attack children, as evidenced by their manifesto demanding the abolition of all legislation on the age of content, considering also that these repulsive demands clearly show that the liberalization of legislation concerning homosexuality was a mistake, because of the lack of respect shown by homosexuals for the great majority of Canadians, I move, seconded by the hon. member for Champlain (Mr. Matte):

That the House direct the government to amend the Criminal Code to include a provision making it an indictable offence for an individual to expose publicly his or her homosexuality and to advertise in favour of homosexuality.

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Pursuant to the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; therefore, the motion cannot be put.

* * *

[*English*]

HOUSE OF COMMONS

USE OF PRIVATE INVESTIGATORS BY GOVERNMENT—MOTION UNDER S.O. 43

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, in view of the reports which indicate that the government House leader is concerned about the use of legitimate private investigatory agencies for the purpose of confirming the accuracy of information, I move, under the provisions of Standing Order 43, seconded by the hon. member for Prince George-Peace River (Mr. Oberle):

[Mr. Whiteway.]

That the government indicate, either on motions or otherwise, on how many occasions they had used detective agencies for their own administrative functions, including Intertel.

Mr. Speaker: Is there unanimous consent for such a motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

SEARCH AND RESCUE

SUGGESTED ESTABLISHMENT OF LIFEBOAT STATIONS IN WESTERN NEWFOUNDLAND—MOTION UNDER S.O. 43

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I wish to move a motion under Standing Order 43 on a matter of urgent and pressing necessity. Repeated and continuing losses of fishermen off Newfoundland's coast, and particularly the most recent three incidents off western Newfoundland in a space of a week, prompts immediate attention again to the lack of lifeboat bases along four miles of coastline. I therefore move, seconded by the hon. member for St. John's East (Mr. McGrath):

That this House orders that the plans to establish four new lifeboat bases be reconsidered to include locations in western Newfoundland and that those responsible for location planning be ordered to justify the serious oversight which exists.

Mr. Speaker: Is there unanimous consent for such a motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

CANADIAN PACIFIC

REQUEST FOR ASSURANCE OF FREIGHT SERVICE IN VIEW OF WITHDRAWAL OF TRUCK SERVICE—MOTION UNDER S.O. 43

Mr. Doug Neil (Moose Jaw): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In view of CP Transport's program to discontinue freight service to certain rural communities in Saskatchewan, and in view of the serious effect this will have on the economic survival of the affected communities, I move, seconded by the hon. member for Swift Current-Maple Creek (Mr. Hamilton):

That the government take immediate steps to ensure that satisfactory freight service will be maintained.

Mr. Speaker: Is there unanimous consent for such a motion?

Some hon. Members: Agreed.

Some hon. Members: No.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF THE SPEAKER OF HOUSE OF REPRESENTATIVES OF NEW ZEALAND, SIR ROY JACK

Mr. Speaker: Before beginning the oral question period, I know hon. members would want to join me in calling attention to the presence in our gallery of a very distinguished visitor in the person of the Speaker of the House of Representatives of New Zealand, Sir Roy Jack.

ORAL QUESTION PERIOD

[*English*]

LABOUR CONDITIONS

REQUEST FOR CLARIFICATION OF MINISTER'S STATEMENTS CONCERNING LABOUR'S PARTICIPATION IN GOVERNMENT ORGANIZATIONS

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I have a question for the Minister of Labour. In view of the fact that the minister has stressed the importance of a tripartite approach to the solution of industrial strife in Canada through the Canada Labour Relations Council and, keeping in mind that the latest International Labour Organization figures for 1974 show Canada leading all other countries in man-days lost in strikes—that figure of 9.25 million man-days was exceeded last year, and is now 10.5 million—will the minister today clarify the confusion he has created by his statement on May 4 that labour's withdrawal from the tripartite discussions is hopefully temporary and by the equally confusing replies on Tuesday, May 11, when he said that labour's withdrawal paves the way for its participation later?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, I do not see anything contradictory about it at all.

Some hon. Members: Oh, oh!

Mr. Munro (Hamilton East): The fact of the matter is that it is my hope, and I assume the hope of the hon. member, that labour's withdrawal temporary, and the fact that it is a withdrawal rather than a resignation would pave the way for its re-entry later.

MEASURES TO SECURE CO-OPERATION OF LABOUR AND REPLACE TRIPARTITE APPROACH

Mr. John A. Fraser (Vancouver South): It is obvious that the minister does not see any contradiction in his words. In the anti-inflation white paper of October it is stated, and I quote:

> There are several structural problems which need to be addressed in a comprehensive anti-inflation program. The third relates to the need to improve labour management relations.
>
> . . . in co-operation with the two groups directly involved—labour and management—the government will seek practical solutions. The government has established the tripartite Canada Labour Relations Council to assist in this effort.

This was government policy in October. The Canada Labour Relations Council, for all practical purposes, is now defunct.

I ask the minister, what new policy does he have to replace the now unworkable tripartite approach, and what exactly is the minister going to do to get labour co-operation between now and at the end of controls in December, 1978?

Hon. John C. Munro (Minister of Labour): As I have repeated to the hon. member on several occasions, much has been accomplished under the tripartite arrangement. Some initiatives can now be proceeded with, since we were successful in arriving at a consensus and getting agreement from all sides. So the government can now proceed with several of the initiatives in that agreement, and I would be pleased to elaborate on those to the hon. member if he wishes.

Our relationship as a government with labour was never entirely dependent on the tripartite council to which the hon. member referred. The Prime Minister and other members of the cabinet have had many discussions, and other ministers in the cabinet are dealing with labour on an ongoing basis with respect to programs in their departments. I myself am dealing with the leadership of the labour movement in bilateral discussions constantly, and these meetings will carry on.

Mr. Fraser: The minister apparently is saying that officially there is a breakdown, but unofficially there are talks. Does this mean that the minister is actually saying that there is a real possibility that no solutions will be found for better industrial relations for the remainder of the controls program, which would be a loss of nearly three years in this vital area of concern? If this is the minister's dilemma, I invite him to be frank with the House and say so.

Mr. Munro (Hamilton East): Of course it is not. I think a great deal has been accomplished already with respect to initiatives and broader-based bargaining with the desirability in the agreement to have a common data gathering agency which can make findings which will not be suspected of bias by either side. These are some of the things which have been accomplished. I am hopeful that other things will be accomplished with respect to having government involvement with labour, and in addition, labour's input with respect to policies in the post controls period. However, they may not be accomplished under the aegis of the tripartite council, but under some other format in terms of discussions. That is all.

EFFECT OF WITHDRAWAL OF LABOUR FROM LABOUR RELATIONS COUNCIL ON DISCUSSIONS CONCERNING POST-CONTROL PERIOD

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a supplementary question for the minister. The government has said that the CLC agreed to have discussions with the cabinet with regard to the economy in the post-controls period, reportedly decided at a meeting between the Prime Minister and high union officials in March. Has the withdrawal of the the CLC from the Canada Labour Relations

Council negated the CLC commitment to such talks on the post-controls period as an official body?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, I do not believe so at all. I think the position of the CLC, as the House well knows was that, although the government disagrees and I disagree, it feels that the present selective wage and price control programs is a negation of collective bargaining. Since the tripartite council terms of reference deal almost exclusively with improvements in collective bargaining they did not think they could sit on that body. They have always indicated their desire to meet with the government to discuss policies that would be in their best interests and the interests of the Canadian people in a post-control period. That is why they are willing to participate in these discussions.

● (1420)

MEETINGS WITH LABOUR CONCERNING POST-CONTROL PERIOD

Mr. Gordon Ritchie (Dauphin): A supplementary question. I gather from the minister that there is no official contact with the CLC regarding this post-control period. Could the minister confirm whether similar talks are scheduled with other labour bodies on the post-control problem and, if so, when will they be held, in view of the special committee on post-control policy established by cabinet which wants to promote tripartite business, labour and government talks on economic efficiency and productivity.

Hon. John C. Munro (Minister of Labour): Mr. Speaker, I believe the hon. member's original premise is not correct. I think that an agreement has been pretty well reached, subject to confirmation as to the particular day. There will be meetings between the CLC and the government with reference to post control and the general economic attitude of the government some time in June probably. As I said, however, the precise date has yet to be confirmed.

* * *

EXTERNAL AFFAIRS

ALLEGED STATEMENT BY UNITED STATES AMBASSADOR CONCERNING DEFENCE SPENDING BY CANADA— GOVERNMENT POSITION

Mr. Andrew Brewin (Greenwood): Mr. Speaker, may I ask the Secretary of State for External Affairs whether he has read the statement reported to have been made by the United States ambassador to Canada in which he said that a major irritant between our two countries was the lack of adequate defence spending by Canada? Does the minister propose to respond to the ambassador's remarks?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Yes, Mr. Speaker, I noticed that report in the *Globe and Mail* this morning. My hon. friend may be interested in knowing that the United States ambassador believes he has been grossly misquoted. Instead of saying defence was a major irritant, he had said it was a promising avenue of co-operation.

[Mr. Ritchie.]

Mr. Fraser: Maybe he was misrecorded.

Mr. Brewin: A supplementary, Mr. Speaker. No doubt the ambassador has every right to express his own views. Will the minister convey to the ambassador the view held by many Canadians that the trouble is not underspending in Canada on defence but gross overspending by the United States on defence such as, for example, the Trident submarine base which is going to provide the means to destroy the whole world many times over at vast expense—

Some hon. Members: Oh, oh!

Mr. Brewin: Mr. Speaker, some of my friends do not like this fact of life but that is not going to stop me from propounding it. Will the minister suggest to the ambassador that this is part of what the former United States Secretary of Defence, Robert McNamara called the mad momentum of the nuclear arms race?

Mr. MacEachen: Mr. Speaker, while Ambassador Enders is arranging for a retraction from the *Globe and Mail* for the misreporting of his remarks, at the same time I will be clarifying the hon. member's question in my own mind so that I might be in a position to answer at a later date.

* * *

[*Translation*]

HOUSING

INQUIRY IF FEDERAL FUNDS AVAILABLE FOR SENIOR CITIZENS' APARTMENTS IN QUEBEC

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to direct a question to the Minister of State for Urban Affairs.

Is the minister in a position to inform the House whether, recently or a few months ago, any sums of money coming out of the equalization fund or from other sources have been transferred to the Quebec government, and in particular to the Quebec Housing Corporation, for the purpose of building low cost housing for senior citizens? If so, can he say roughly the date and the amount?

[*English*]

Hon. Barney Danson (Minister of State for Urban Affairs): Mr. Speaker, I do not think I can give exact dates and times but at the time of setting of the budget of CMHC and of negotiations with the provinces, Quebec's budget was also arranged. Funds were made available for those programs. I would be happy to discuss that with the hon. member. I do not carry the precise figures for each program for each province in my head. Funds are available for senior citizen housing programs in Quebec.

[*Translation*]

Mr. Fortin: Mr. Speaker, I have a supplementary question.

Is the minister aware that officials of the Quebec Housing Corporation reply to citizens asking for funds to build low cost housing for senior citizens that they have not received any money and have not had any discussion with the federal government and that, consequently, any

application from municipalities or nonprofit private companies gets the same answer that there is no money available? Is the minister aware of that and could he make a statement to clarify the federal government's participation, and where does the matter stand now?

[*English*]

Mr. Danson: Mr. Speaker, I shall be happy to look into the precise amounts. The funds are not transferred until projects are approved. There are also direct programs for senior citizens, which are implemented in Quebec. I visited some of those projects in the last couple of weeks, I might say. The budget for Quebec Housing Corporation is in place and those funds should be available. I will be happy to look into the precise amounts and figures for the hon. member.

* * *

NATIONAL DEFENCE

COMMENTS OF UNITED STATES AMBASSADOR ON CANADA'S DEFENCE SPENDING—MINISTER'S POSITION

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, perhaps the House will grant me indulgence for a moment and allow me to extend compliments to General W. W. Turner, his staff and, most of all, the gentlemen cadets of Royal Military College for their excellent drill and deportment during the presentation of the new colours this morning on the lawn in front of the Parliament Buildings. Watching these fine young men doing their jobs so well tends to restore one's faith in the future.

Some hon. Members: Hear, hear!

Mr. McKinnon: Now I come to the less satisfactory part of my intervention. My question, directed to the Minister of National Defence, is allied to the question asked by the hon. member for Greenwood; only I direct it to the Minister of National Defence as he has greater responsibility, I believe, for the inadequacies of our defences.

In a speech to a Canadian-American relations seminar in Winnipeg, U.S. Ambassador Enders said a satisfactory level of Canadian military spending is critical to the defence of North America because the U.S. is close to the margin point when it comes to maintaining an effective defence over Europe and North America. He also said that one of the major irritants in Canada-U.S. relations has developed because many Americans believe Canada gives too low a priority to defence spending. Would the minister care to comment on Ambassador Enders' assessment of the contribution which Canada has been making to the defence of the Alliance and also say something about what our future commitments should be?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I thank the hon. member for Victoria for his complimentary remarks about Royal Military College. When we bring defence exercises to Parliament Hill, the defence critic has a chance to see some of the good work taking place in the department.

Mr. Baker (Grenville-Carleton): It was very refreshing.

Mr. Richardson: The second part of the question was answered in the response to an earlier question. I understand, as my colleague the Secretary of State for External Affairs said a few moments ago, that Ambassador Enders said in his statement that the defence relationship between Canada and the United States was a promising area of co-operation.

An hon. Member: We have heard lots of promises.

REASON FOR PROPOSAL TO CLOSE BASES

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question had to do with what the future commitments should be for Canada. I agree that the minister has, in another area, discussed our capital spending increases. They are impressing. Although we have been promised everything, new tanks, fighters and ships, we still have nothing in hand. The promises are not far-fetched, but implementation is certainly far distant.

My question is this: As the government has suddenly seen the error of its ways and now given priority to revitalizing and re-equipping our forces, why is the Department of National Defence proposing to close as many as nine bases, nearly one third of our total?

Mr. Woolliams: But not Calgary.

Hon. James Richardson (Minister of National Defence): Mr. Speaker, the department is not planning to close nine bases.

Mr. Paproski: How many is it planning to close; eight, five, ten—how many?

Mr. Richardson: Mr. Speaker, the figure the hon. member used I believe comes from a statement made by the deputy minister before the parliamentary committee, in which he indicated the difference between the number of bases that were required and the total we have at present. He also made it clear that there was no recommendation coming forward from the department or from me to the government to close nine bases.

● (1430)

Mr. McKinnon: I would like to correct the minister. He has, unwittingly I am sure, misled the House as to what the official said at the defence committee last Thursday. He said that for an effective infrastructure, the department needed only 23 bases whereas they now have 32. Therefore, I assumed that in the infrastructure rationalization paper they must have proposed closing nine bases. If this is not correct, that 32 less 23 equals nine, I would appreciate the minister correcting me and telling me what bases he proposes to close.

Mr. Richardson: Mr. Speaker, the hon. member has just requoted what I said a moment ago. The deputy minister did give those figures. However, he also very clearly said that there were no recommendations before cabinet at this time to close nine bases and that is a fact.

Oral Questions

EXTERNAL AFFAIRS

AMOUNT OF AID TO ITALIAN EARTHQUAKE VICTIMS

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, my question is directed to the Prime Minister.

Some hon. Members: Oh, oh!

Mr. Caccia: In view of the unanimous resolution passed by this House on Monday about the earthquake in Italy, is the Prime Minister in a position to inform this House as to whether a decision has been made regarding direct financial assistance by the government of Canada, in addition to the help already given?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the comments from the opposition indicate they know they have to do with a responsive government and they are right.

Some hon. Members: Hear, hear!

Mr. Trudeau: The motion moved by the hon. member for Davenport and seconded by the hon. member for Saint-Michel was considered by the government, particularly in view of, as the hon. member said, the evident contribution by Canadians of Italian origin to the growth and development of Canada. Apart from the military aid and the aid by way of immigration, which was mentioned by the Minister of Manpower and Immigration, the government has decided to appropriate $1 million to help in this plight. The Secretary of State for External Affairs will be issuing a press release on it later today.

Some hon. Members: Hear, hear!

* * *

IMMIGRATION

USE OF PRIVATE INVESTIGATORS BY DEPARTMENT—MINISTER'S POSITION

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, my question is for the Minister of Manpower and Immigration. In view of the apparent concern with which the government House leader views the use of legitimate private detective agencies as an information gathering device, can the minister advise the House if his department uses private investigators other than on the incident in October 1972, when they retained the services of Intertel?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Not to my knowledge, Mr. Speaker. I will check on it. However, I am sure that is not the case.

Mr. Reynolds: Mr. Speaker, I want to be clear. Is the minister denying they hired Intertel at that time? If he is, I can give him the letter he sent to me wherein he states that they did. Will he now tell me whether they hired them?

Mr. Andras: Mr. Speaker, I gave the answer. I will not change it. I will check on it, but it is not my understanding that is the case.

[Mr. Richardson.]

EXTERNAL AFFAIRS

SUGGESTION PRIME MINISTER ADDRESS UNITED STATES CONGRESS ONCE A YEAR

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, my question is to the Prime Minister. Is the Prime Minister considering the suggestion made by the committee of congress, that he should go to the United States once a year and address a joint session of the Senate and House of Representatives on matters of mutual concern as a means of improving United States-Canadian relations? If he considers that a constructive suggestion, is he willing to get in touch with the President of the United States and suggest that this be done a reciprocal basis whereby the Prime Minister will address the United States congress and the President of the United States will come to Canada once a year and address a joint session of the Senate and the House of Commons on matters of mutual concern as a means of improving Canada-United States relations?

Mr. Speaker: Order, please. The hon. member for Regina-Lake Centre.

Some hon. Members: Oh, oh!

* * *

CANADIAN PACIFIC RAILWAY

POSSIBILITY OF FEDERAL INTERVENTION TO EXEMPT TRUCKING OPERATION FROM PROVISIONS OF RAILWAY ACT—MINISTER'S POSITION

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I have some questions I should like to direct to the Minister of Transport with regard to Canadian Pacific and one of its operations, CP Trucks. In Moose Jaw in November, 1970, Commissioner McGee of the Canadian Transport Commission gave an opinion, and I believe a decision, that Canadian Pacific could carry and deliver by modes other than rail to points along its railway lines but that it had an obligation under Section 262 of the Railway Act to provide that service. Does the Minister intend to intervene at the railway's request to exempt Canadian Pacific from the licensing regulation of the province of Saskatchewan?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I have received messages from both the government of Saskatchewan and the Canadian Pacific on this subject. I have indicated to both of them that before I take a final position, I will want to be very clear on some of the matters of complicated fact involved. I suggested a meeting in the first instance between ourselves and officials of the government of Saskatchewan to clear up these points.

SUGGESTION COMPANY BE FORCED TO HONOUR OBLIGATIONS

Mr. Les Benjamin (Regina-Lake Centre): In view of the fact Canadian Pacific was allowed to drop this rail service on the condition that it provide adequate alternate service on some 20 routes to nearly 200 communities in Saskatchewan, will the minister require Canadian Pacific to carry

out the obligation they have under the legislation in effect in this country or is he going to allow them to get out from another commitment?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I have checked into the background enough to know that the hon. member is completely misstating the exact terms and conditions at the time in question. The current obligations may be one thing and what we can impose may be another. I certainly will not associate myself with the grave misstatement of fact contained in the hon. member's question.

Mr. Benjamin: For a change, I would like the minister to quit hesitating and procrastinating, join the people of Saskatchewan, and tell CP to live up to its obligations or they can haul their goods through North Dakota and Montana. Will he do one or the other? Why is the minister hesitating?

Mr. Lang: Mr. Speaker, the hon. member is quick to defend and attack, but somehow seems to have a soft spot for the way the government of Saskatchewan handled the matter in trying to use the big stick of interprovincial trade to deal with a little, specific matter. I would ask him to examine carefully the legitimacy of that, however much he might dislike CP. On the other hand, he might indicate if he thinks I am procastinating by taking a few days to find out the facts as to why the government of Saskatchewan did not do anything from September until the end of April to find out about the situation.

Some hon. Members: Hear, hear!

* * *

ENERGY

ALLEGED PROPOSAL COMPANIES OPERATING IN NORTH AND OFFSHORE BE GIVEN LARGE WRITE-OFF BEFORE IMPOSITION OF TAX ON PROFITS

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. In his absence, I will direct it to the Minister of Energy, Mines and Resources. Can the minister confirm the reports in this morning's press that the government intends to allow oil companies operating in northern and offshore acreage a write-off of 175 per cent of investment before facing a profits tax, a proposal that owes its origin to the hon. member for Qu'Appelle-Moose Mountain? It is very similar to the proposal the British are using in the North Sea. Is that the proposal the Canadian government is putting forward?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I made quite clear yesterday in answer to a question from the hon. member for Oshawa-Whitby that we would be making a full statement, I think sometime toward the middle of next week.

● (1440)

Mr. Gillies: Is the minister denying the correctness of the report which appeared in the press this morning? If the government is making this proposal for the northern lands, is there any thought of extending this type of situation to other areas so that we can conserve capital and use it more aggressively in exploration for oil?

Mr. Gillespie: I am not commenting until we make a full announcement. I indicated yesterday that many of the proposals are interlinked and have to be seen as a total package.

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URBAN AFFAIRS

HABITAT CONFERENCE—POSSIBILITY NO TELEVISION COVERAGE—PROPOSAL FOR DEBATE IN HOUSE

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, I have a question for the Secretary of State for Urban Affairs. Since NABET intends to go ahead with its irresponsible withdrawal of radio and television broadcasting services from Habitat, can the minister tell us what contingency plans are in place to provide coverage for Canadians as well as for other countries taking part in the largest United Nations conference ever held?

Hon. Barney Danson (Minister of State for Urban Affairs): I am hoping that NABET and the CBC will be able to work out their differences so that there will be television coverage. The conference has a large audio-visual component and this will go ahead as planned. As far as external viewing is concerned, there would be a problem, and, as I indicated the other day to the hon. member for Kingston and the Islands, it would be a very sad thing if coverage were not possible; not only would it be detrimental to the image of Canada but it would represent a loss to people throughout the world who would be watching this conference, one which will affect their lives on a day to day basis.

Mr. Roche: My supplementary is directed to the Secretary of State for External Affairs in his capacity as co-chairman of Habitat. Since there has been no debate in parliament in connection with the government's stand at the UN conference on trade and development, presently going on in Nairobi, a situation which has led the media as well as the public to underestimate the importance of United Nations conferences on critical global problems, would the hon. gentleman introduce a debate in the House to consider the proposals Canada will be making at Habitat in order that members may comment and thus help the media and the public understand the importance of this conference on human settlements to millions of people in the developing world?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): I am in agreement with the hon. member as to the necessity for encouraging wider debate in the House and elsewhere, not only on the UN conference on trade and development but also on the important Habitat conference which is forthcoming in Vancouver. However, as a former leader of the House I realise that a decision following my agreement in principle really rests upon my colleague, the government House leader who, I am sure, will take into account the representations which have been made.

Oral Questions

HOUSE OF COMMONS

PRESENCE IN GALLERY OF FOREIGN MINISTER OF POLAND, MR. OLSZOWSKI

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, may I take this opportunity to draw the attention of hon. members to the presence in the gallery of the distinguished Foreign Minister of Poland, Mr. Olszowski.

Some hon. Members: Hear, hear!

* * *

EXTERNAL AFFAIRS

REASON FOR CANADA'S NEGATIVE VOTE ON RACISM RESOLUTION AT UNITED NATIONS

Hon. Martin O'Connell (Scarborough East): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Would the minister explain why two days ago at the United Nations Canada cast the only negative vote on a resolution dealing with racism?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Yes, Mr. Speaker. I am pleased to have the opportunity of explaining to the House of Commons why Canada was, as the hon. member stated, the only member of ECOSC which voted against two particular resolutions. As hon. members will recall, last November the Government of Canada vigorously opposed a resolution passed by the General Assembly which linked racism and Zionism. We vigorously opposed and voted against that resolution and subsequently the House of Commons unanimously supported the action of the government on that occasion. The two resolutions dealt with at ECOSC two days ago maintained that link, a link which we regarded as unacceptable and without foundation. It is for that reason we cast a negative ballot.

* * *

COMMUNICATIONS

USE OF RECORDINGS FOR TELEPHONE ADVERTISING— MEASURES TO PROTECT SUBSCRIBERS

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, my question is addressed to the Minister of Communications. It concerns a subject about which I have already spoken to the hon. lady's parliamentary secretary. Has the minister's attention been drawn to an advertisement by Telephone Communicators of Canada Limited which appeared in a recent edition of the *Financial Post* announcing and promoting the use of that company's services which include the ability to call half a million household and business telephones in Canada and subject the person who answers the call to a pre-recorded sales pitch of up to two minutes in duration? Does the minister not agree that this practice constitutes an invasion of privacy and can she tell the House what action, if any, she is prepared to take to protect Canadians from being plagued by these pre-recorded commercials?

[Mr. MacEachen.]

Hon. Jeanne Sauvé (Minister of Communications): I suspect that any measure which would deal with that kind of thing would constitute an even greater invasion of privacy since I suppose it would mean allowing telephone companies to listen to conversations on the lines.

Some hon. Members: Oh!

* * *

INFORMATION

ALLEGED STATEMENT OF PRESIDENT OF PRIVY COUNCIL ON FREEDOM OF INFORMATION

Mr. G. W. Baldwin (Peace River): Mr. Speaker, may I direct a question to the President of the Privy Council? It arises from a report in the Montreal *Gazette* this morning as follows:

Sharp also defended the freedom of information act whereby all government actions would be subject to public scrutiny.

The following appears in quotes: "I don't know what good that would do". I should like to ask the hon. gentleman whether the government is now opposed to a freedom of information act or whether he still stands by the view expressed on February 12 by this House when, without a dissenting voice, we approved the principle of a freedom of information bill.

Hon. Mitchell Sharp (President of the Privy Council): Fortunately I have a record of the conversation I had with the reporter of the *Gazette* when I said I strongly favoured a freedom of information act. But what I did say was that this would not have much effect upon leaks.

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UNEMPLOYMENT INSURANCE

EFFECT OF INCREASE IN UNEMPLOYMENT ON EXPENDITURES

Mr. Arnold Malone (Battle River): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. In view of the fact that the most recent figures indicate there are now about 48,000 people unemployed in Canada, would the minister indicate in dollar terms the effect of this increase upon unemployment insurance expenditure?

Hon. Robert K. Andras (Minister of Manpower and Immigration): I am sorry, but I did not catch the first part of the question.

Mr. Malone: In view of the fact that the most recent figures on the labour force show an increase of 48,000 in the number of unemployed, can the minister indicate in dollars what this will mean in terms of expenditure on unemployment insurance benefits?

Mr. Andras: Mr. Speaker, I think simple arithmetic will indicate what the answer to that question would be. As of now, expenditures in connection with unemployment insurance are lower than we had anticipated they would be at this time.

[*Translation*]

OLYMPIC GAMES

FEDERAL AID IN FINANCING IF LOTO-CANADA FAILS

Mr. René Matte (Champlain): Mr. Speaker, my question is directed to the President of the Treasury Board.

Following the announcement about the establishment of Loto Canada and the tabling of the Quebec budget indicating that the contribution of Loto Canada to the financing of the Olympic Games deficit has been considered as provincial revenue, I would like to know whether the Quebec government has asked for some safeguard since evidently Loto Canada is somewhat problematical because we do not know what will be the results of that lottery and perhaps the anticipated results of Loto Canada will not be similar to those of the Olympic Lottery. I would like to ask the minister whether in his discussions with the Quebec government there has been a reference to some kind of safeguard for a financial contribution provided by the federal government should Loto Canada not be as successful as anticipated?

Hon. Jean Chrétien (President of the Treasury Board): The answer is no, Mr. Speaker.

* * *

● (1450)

[*English*]

COMMUNICATIONS

CABLEVISION—ALLEGED REMOVAL OF FM SIGNALS FROM LICENCE PROVISIONS—GOVERNMENT ACTION

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, is the Minister of Communications aware of the present policy of the CRTC which results in effective media censorship through deleting FM signals from applications for renewal of cable licensing and, if so, what does she intend to do about it?

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, I am not aware of the situation to which the hon. gentleman is referring, but I will be glad to send the hon. member's inquiry to the President of the CRTC and perhaps let him have the answer later.

Mr. Nowlan: At the same time, Mr. Speaker, would the minister check with the CRTC to find out if there was any evidence of broadcaster injury at the special hearing last Friday in Edmonton and, regardless of whether there was, whether this policy in respect of FM signals is to be applied consistently across Canada regarding all applications?

Mrs. Sauvé: Mr. Speaker, I think the hon. member is begging me to comment on hearings that are presently taking place before the CRTC. As the hon. member knows, I do not want to, and should not, comment on these hearings.

AIR CANADA

ALLEGATION OF POOR BILLING PROCEDURES IN FINANCE BRANCH, WINNIPEG—GOVERNMENT POSITION

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister of Transport. Is he aware that the ongoing concern over the labour and billing problems during the last three years in Air Canada's finance branch in Winnipeg, which has been so ill-handled, is so great that the Canadian Airlines Employees Association has stated that Air Canada, Winnipeg, has asked Air Canada, Montreal, to contact former employee, Yves Ménard, currently an official of Warnock Hersey Limited regarding approximately 400 airline tickets that are currently outstanding and unreported?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, of course, the hon. member is stating his own opinion about mishandling of negotiations and I disagree with him completely. I would say there have been some very difficult issues, including what amounts to inter-union disputes, which are at the basis of the real problem here in negotiations. I would also say to the hon. member that while he may be particularly partisan, I do not think his comments in this House are very helpful.

Mr. McKenzie: Mr. Speaker, my feelings were also registered in the Estey Report on the problems at the Air Canada finance branch. In view of the fact that the Canadian Airlines Employees Association says that an audit of commercial ticketing has not been done since 1973, and in light of the allegations already stated, would the minister consider dispatching the Auditor General's officials to the Winnipeg finance branch to implement an audit immediately?

Mr. Lang: Mr. Speaker, I will say again that I really do not think this kind of comment back and forth in the House on what is really a dispute involving complicated labour relations and relationships in respect of union affiliation is helpful, and I will not engage in it.

[*Translation*]

REQUEST THAT FRENCH BE USED AS WORKING LANGUAGE IN QUEBEC

Mr. Serge Joyal (Maisonneuve-Rosemont): Mr. Speaker, my question is directed to the Minister of Transport.

Considering that each year for five years the Commissioner of Official Languages has continuously singled out in his reports the slowness and the nearly insurmountable difficulties French language users have at all levels of the operations of Air Canada, can the Minister of Transport inform the House whether he proposes to ask Air Canada to review the regulations of the company as regards the use of the French language as working language and as a criterium for employment in Quebec, and to ask the heads of Air Canada to take immediate steps so that French becomes the working language at all levels of the administrative or technical operations in Quebec?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I can say to the hon. member that, while certainly there have been time lags in developing a full move toward bilingual performance in the operations of Air Canada, as indeed there have been even inside the government because of difficulties arising in this regard, the policy of Air Canada is very definitely and clearly to move toward the implementation of the Official Languages Act for Air Canada, and to assure complete service in the French language to the public wherever that is desirable under the terms of that policy, and to ensure the rights of employees to use their own language in their communications with one another, and progressively to designate positions as bilingual where that is required by the implementation of that policy. That is the policy and I can assure the hon. member, and hon. members, that the current management of Air Canada shares that policy and desires very much to move as rapidly as possible toward its implementation.

* * *

[*Translation*]

HOUSING

CONSULTATIONS WITH QUEBEC ON RESTORATION PROGRAMS—REQUEST FOR REPORT

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, I would like to ask the Minister of State for Urban Affairs a question of which I gave him notice.

Following the question I—asked his parliamentary secretary on May 3, whether he had received a telegram from the Quebec Minister of Municipal Affairs concerning the agreement reached at the three government levels meeting of March 1975, the parliamentary secretary answered negatively, and I understand. I am referring to page 13064 of *Hansard*.

Since Mr. Goldbloom told me he had sent the minister a telegram, which seems to be false, can the minister tell the House whether he will wait for Mr. Goldbloom, who appears to be playing cat and mouse, or whether he himself is prepared to accelerate the final agreement procedure with his counterpart in Quebec?

[*English*]

Hon. Barney Danson (Minister of State for Urban Affairs): Mr. Speaker, I want to thank the hon. member for giving me notice of the question, I believe on Monday, which is so long ago I almost forget the answer.

An hon. Member: You didn't know in the first place.

Mr. Danson: I realize it took him some time to be recognized and I appreciate that. The holdup has been eased. There has been agreement between Quebec and CMHC in relation to administration agreements on rehabilitation programs. The administration will be done by the municipalities with separate applications to provincial and federal governments. The holdup has been in the designation of all the urban communities in Quebec to which this will apply, in addition to Montreal. It has been the desire of Quebec to announce them all at the one time. That is the proposal at this time and I think there will be an announcement very shortly.

[Mr. Joyal.]

PENSIONS

DENIAL OF PENSION INCREASES TO RETIRED MEMBERS OF ARMED FORCES AND RCMP UNTIL AGE 60—GOVERNMENT ACTION TO RECTIFY

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct my question to the President of the Treasury Board. In view of the fact that when we were considering Bill C-52 last December the government seemed to get very close to agreeing to change the formula under which Canadian Armed Forces and RCMP personnel are denied pension increases until they reach age 60, will the minister say whether this matter is now being considered and whether we might expect an announcement in the near future?

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, I do not think there will be an announcement in the near future.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I would ask the President of the Treasury Board whether the government will consider introducing the necessary legislation in the fall so it can be effective at escalation time, namely, in January?

Mr. Chrétien: I do not think so, Mr. Speaker.

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NATIONAL SECURITY

ALLEGED STATEMENT OF COMMISSIONER NADON THERE WAS NO DIFFERENCE OF OPINION BETWEEN GENERAL DARE AND PRIME MINISTER

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the Prime Minister based not on the contents of the Toronto *Sun*, a newspaper which does not seem to have too much regard for him, but rather on an article in today's Ottawa *Journal* describing a statement by Commissioner Nadon of the RCMP outside the rooms of the Committee on Justice and Legal Affairs yesterday, wherein Commissioner Nadon is reported as having said there was no difference of opinion between General Dare and the Prime Minister, who is named in the article. In light of the fact the Prime Minister has described General Dare's assertions in the letter as being an honest mistake resulting in the difference of opinion, I should like to ask the Prime Minister whether he stands by that, having regard to what the Commissioner of the RCMP has said, particularly since the Commissioner said he was present at the cabinet security committee meeting?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I was at the same time trying to listen to the question and read the clipping which is before me, and I may not be dealing with it exactly. But what I see here is that Commissioner Nadon told reporters that the views of General Dare and the Prime Minister were compatible. Indeed, they are compatible on the matter of not investigating democratically and legally established parties. We can leave that to the gumshoes hired by the Tories. The same opposition which was shocked the other day because a former deputy minister was engaged in the private sector I am surprised

is not shocked about former intelligence officers of the United States and apparently of Canada—they are so little shocked that they hired this agency to snoop into members of the other political parties. It would be interesting to know if they are also looking at the private lives of members, and if so I would like to know who they are because it is a matter of privilege to every member of this House.

● (1500)

I see, Mr. Speaker, that you would like me to get back to the question. I am not sure if it would be worthwhile, Mr. Speaker. The hon. member opposite is reported as having told the press that he did not believe the answers I gave him yesterday or the day before. If he was misquoted he should have the decency to do what the right hon. member for Prince Albert did and force the *Sun* to backtrack from what they quoted him as saying. If he was not misquoted, I do not know why he is asking me questions if he does not believe my answers. Therefore, Mr. Speaker—

An hon. Member: Quite a long answer.

Mr. Trudeau: Yes. The answer may be of interest to other members of the House and I will address it to them. I repeat that there is no disagreement on this point about surveying other political parties. There is a disagreement on the conclusion drawn in the letter, in the paragraph which begins "consequently", where General Dare drew that conclusion. I repeat it was a conclusion he should not have drawn and which was not drawn from anything that the cabinet said. It was a conclusion—I am saying this for the third or fourth time to the House but the opposition and the media still manage to get it wrong—everybody but General Dare and myself—the conclusion that he drew was erroneous and he himself was referring to a cabinet committee or committee of officials to verify whether he was drawing the right conclusion. In the same article it says that I first denied issuing any such guidelines but admitted Tuesday stating there were committee meetings. This is wrong, too, Mr. Speaker. But as I said before if I spent my time correcting the errors spread about the government on the other side and repeated in the media we would—

Some hon. Members: Hear, hear!

REASON GENERAL DARE SENT LETTER TO COLONEL BOURNE

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have just one brief supplementary. Before I put it, may I say that if the Prime Minister would send to me the quotations to which he has taken offence I will look at them. If a withdrawal should be forthcoming in keeping with the rules and customs of this place he shall have it, but I would expect the same courtesy of him in respect of the reference by him to my being paranoid. That might also be considered in the same light. May I ask him this supplementary.

Since he, General Dare and Colonel Bourne were all at the same cabinet security meeting, if he did not have a personal discussion with General Dare—and I accept his statement in that regard—can he explain why it was considered necessary by General Dare to send a letter to Colonel Bourne which described discussions which took place during that cabinet security meeting.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, surely there are two very simple answers to that. The first is that the letter, as I just said, went beyond what the committee decided and General Dare was using the letter to draw a conclusion and suggesting that it be discussed by officials to see if his conclusion was right. So he was putting that in writing because he wanted to go beyond the cabinet decision and know if he was making a proper inference. In other words, it does happen that cabinet decisions are recorded and they are sent back for supplementary explanations.

The second reason is that in our system of cabinet all cabinet decisions are recorded. We record them for the purpose of the secretariat. I suppose it is acceptable practice that in departments they also put this on record in order to have action further from the record of decision. It seems to me it does not demand very great insight to ask oneself why this was put into a letter. There are two good reasons for that.

Mr. Hees: I rise on a point of order, Mr. Speaker. Earlier today I asked the Prime Minister a serious question, which he did not answer. I was advised it was simply because he did not know it was directed to him; but he said, very kindly, he would be glad to answer it if I were allowed to put the question again. I ask you, Mr. Speaker, if I may put the question again because it is a serious and important question.

Mr. Speaker: Such a procedure could take place only with the unanimous consent of the House.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent.

Mr. Trudeau: On the same point of order, Mr. Speaker, I am not asking that the question be put, but I do want to say to the hon. member that I did not notice that he was addressing the question to me, and I am sorry.

Some hon. Members: Hear, hear!

Mr. Nielsen: Mr. Speaker, I have a point of order to raise in connection with a matter which in recent years has not been raised too often in this House but which was raised a good many times in prior years. It concerns the privileges of all members of the House in connection with the making of alterations in *Hansard*. As I understand it, sir, the only alterations any member or cabinet minister is permitted to make to *Hansard* have to do with punctuation, grammatical errors or spelling errors, and the like, but in no instances are members or cabinet ministers permitted to make alterations to *Hansard* which change the sense of what was said and recorded by the *Hansard* reporter in this House. Yesterday, in reply to a question by the hon. member for Grenville-Carleton (Mr. Baker), the Solicitor General (Mr. Allmand), and I am quoting from photostat copies of the blues, had this to say:

MR. ALLMAND: I raised the point, which they thought might have been counter productive, that the letter—

Here is the alteration. The *Hansard* reporter recorded it as "might have been destroyed so they proceeded in this

way." The blues were altered so that the words "might have" were struck out by the Solicitor General, or his executive assistant or whoever looks after these matters, and the word "had" was substituted for the two words "might have". The record for yesterday, at page 13441 of *Hansard*, indicates that the words "might have" were restored to the official record, but in the meantime the press gallery had the altered "greens", and indeed in at least one newspaper report this morning the quote of the Solicitor General came out as "I raised the point, which they thought might have been counter productive, that the letter had been destroyed". So now we know that members of the press gallery do get the altered "blues" in the form of "greens" and that that quote went out over the news media last night in the altered form. Yet today we are confronted with the original form as recorded by the *Hansard* reporter, and indeed which I heard, in reply to the hon. member for Grenville-Carleton.

● (1510)

Of course, the use of the past tense "had" would completely negate any need for issuing a search warrant to find the missing letter that had been destroyed, so the logic of changing it back to the original future tense becomes very apparent. But even then it does not explain the actions of the Solicitor General. The point is that the complete sense of the Solicitor General's reply to the hon. member for Grenville-Carleton had been altered and then realtered back again so that the form of the record appears accurate, but throughout the country the press used the altered form.

There is another alteration on page L-9 of the "blues", in the third line from the bottom in the Solicitor General's answer, again to the hon. member for Grenville-Carleton, where he said, and I go back to the fourth line from the bottom:

—but to get the exact copy that was sent to the Toronto *Sun* so that we could get evidence as to whether it was produced, how it was produced and who might have sent it.

The word "whether", as recorded by the *Hansard* reporter, was altered by the Solicitor General to "where", thus completely altering the sense of his answer. It is not a spelling error, a punctuation or grammatical error. That kind of alternation is not an alteration permitted under the rules of the House, because it is a substantive change. Perhaps an alteration might be made by executive assistants, acting on behalf of cabinet ministers, who alter the "blues" to the extent of substituting the past tense for the future tense in the words "might have" with the word "had", and perhaps that might be in order because it certainly gives the wrong indication to the media, which has the power and, in fact, did disseminate this wrong information in its report of events in this place yesterday.

Mr. Speaker: Order, please. The hon. member for Yukon (Mr. Nielsen) read from *Hansard* rough copies and brought into question the editing of *Hansard* and the calibre of work done by the editor in respect of accepting what his reporters transmitted to him from this place. The hon. member brings it into play. I will have to look at it. I certainly think that in the past the calibre and the performance of all people who have reported and edited *Hansard* have been without question.

[Mr. Nielsen.]

Some hon. Members: Hear, hear!

Mr. Speaker: Presumably, the Solicitor General, when he is here in the House, will have something to say about what intervention he made.

An hon. Member: You missed the point.

Mr. Speaker: I regret it; that may be so. The Solicitor General is not here. I will have to hear his version of it and I will have to consult the *Hansard* editor to see whether he has accepted any admonition or intervention by any member of the House which would materially alter the words reported by the *Hansard* reporter here, because that has been part and parcel of what has been put forward.

Mr. Nielsen: I rise on a question of privilege, Mr. Speaker. I should have stated that I regret very much raising this matter in the absence of the Solicitor General, but the rules call for it to be raised at the first opportunity, which I did. The substance of my question of privilege is that nowhere, in my submission to the Chair, did I question the integrity, efficiency and ability of the *Hansard* staff and its editor.

Some hon. Members: Hear, hear!

Mr. Nielsen: And I do not do so now. I have the utmost faith in their ability, and that is evidenced by the fact that I personally never correct any "blues". I follow that practice assiduously. But my complaint is that either the minister or his executive assistant altered the "blues" and changed the whole sense of what was said and recorded by the *Hansard* reporter, and I choose the *Hansard* version over the corrected version.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, although I am not involved in this, I am a member who is concerned about *Hansard* and I am concerned lest some of the statements that have been made by the hon. member for Yukon (Mr. Nielsen) lead to a false impression. There could be reports in the press today saying "Allmand is accused of altering *Hansard*".

There are two things that I want to say. If, as the hon. member for Yukon says, changes were made that appear in the "blues", or "greens" that go to the press gallery, may I say that in my experience those are editorial corrections that the *Hansard* reporters make when they check back on their notes. When we make any corrections on the white sheets, that does not get photocopied.

I suggest that to accuse the Solicitor General (Mr. Allmand) of having made any change which appears on the sheets that go to the press gallery is to make an accusation without proof to back it up. The very fact that in the printed version of *Hansard* it is put back to what was taken down in the first place suggests, to my way of thinking, that there was no alteration on the part of the Solicitor General. He has not asked me to defend him, but one should not be accused unless there is some evidence.

As for the other change, I was listening very closely yesterday because I have been concerned about this matter. I have a photostatic copy of General Dare's letter which, incidentally, was not signed by him, and I wonder why there is so much fuss about it. My hearing was that

the Solicitor General did say that we could get evidence as to where it was produced. The reason I was following that closely was that I showed the Solicitor General, a few days ago, a photocopy that I have taken from the Toronto *Sun* of that letter. I drew his attention to the fact that it was not signed by General Dare, and he noted that the photocopy provided some evidence as to where the leak might have occurred. I believe that he did say "where" rather than "whether" in one case, and in the other case I think that if a change was made at all, it was made by the *Hansard* reporter editing his notes, trying to make it correct, but that obviously the editor later decided that what was said in the first place was correct.

I am speaking off the cuff, just as was the hon. member. When changes in *Hansard* are made, I am prepared to get into a fight about it, but it seems to me that accusations of this sort should not be made unless there is evidence to support them.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): Mr. Speaker, the two questions which form the substance of the matter are on the questions that I directed in the House yesterday and on the answers to those questions. When the "blues" were delivered to me some considerable time later—and I am not concerned about who did it at this point, although the hon. member for Yukon (Mr. Nielsen) is, and I think it is a reasonable suggestion for him to make on a matter which he is bound to bring to the attention of the Chair immediately when it becomes apparent to him, or at the earliest opportunity, and this was the earliest opportunity—they had the alterations which were mentioned.

Mr. Knowles (Winnipeg North Centre): But the minister did not make them.

● (1520)

Mr. Baker (Grenville-Carleton): If the hon. member for Winnipeg North Centre (Mr. Knowles) will contain himself, making sure that the House has a complete record is for some other person to ascertain, certainly not the hon. member for Winnipeg North Centre.

The "blues" came down. I listened carefully to the answers to the questions because the answers were to my questions. The changes were made when the "blues" were here on my desk. I think the House should know this. I passed them to the hon. member for Yukon because I wanted him to take a look at them because it did seem strange, particularly the last one, which was out of context completely. There are photostats available, so I understand.

Mr. Nielsen: *Hansard* has them now.

Mr. Baker (Grenville-Carleton): *Hansard* has them now, with the notes of the hon. member for Yukon, and I think this is a matter which can be looked into, as Your Honour says. If what the hon. member for Yukon said with respect to *Hansard* needs any reinforcing, I want to make it amply clear that the position which I understand he took had nothing to do with the competence of the *Hansard* staff. It had to do with the question as to whether there had been an alteration made by the Solicitor General or someone on his staff. That is the simple question; I just want to make that amply clear.

When I handed those "blues"—or "greens"—back to the hon. member for Yukon, I handed them back to him on the basis that the answer was not as I heard it and I wanted him to look at it.

Mr. Blais: Did he change them?

Mr. Baker (Grenville-Carleton): It was certainly out of context. I do not know what happened. If it was a *Hansard* change, that is one thing, but if it was a change by the Solicitor General, that is quite another matter and, if I may say so, I think it is an important matter because of the records of this House. I rose so that the House could know the full import of what happened on the floor of the House as we proceeded after the question period into these matters and where the particular "blues" are now located.

Mr. Nielsen: Mr. Speaker—

Mr. Speaker: Order, please. I heard the hon. member for Yukon on the point of order. I heard him again on a question of privilege. I do not think the matter needs to be expanded any further. I have indicated that surely the Solicitor General will have some input to make into this matter, and I will wait until he has an opportunity to make his side of the story known; and, indeed, we will check with the editorial staff of *Hansard* to see what in fact took place.

Mr. Nielsen: Mr. Speaker, I have a further question of privilege based on an interjection by the hon. member for Nipissing (Mr. Blais) which may have been caught by *Hansard*. When the hon. member for Grenville-Carleton was describing how he passed his "blues"—

Mr. Speaker: The hon. member for Yukon on a question of privilege.

Mr. Nielsen: Thank you for recognizing me, Mr. Speaker. When the hon. member for Grenville-Carleton was describing the manner in which he passed me the "blues", the hon. member for Nipissing interjected: "Did he change them?" I heard it, so I must assume the *Hansard* reporter heard it. That inference is most unworthy, in light of what I have said here. I can assure him and other hon. members that I did not make any alteration or addition to the "blues" which were passed to me, and the photostatic copies which were made are now in the possession of *Hansard* and provide the evidence for which the hon. member for Winnipeg North Centre is looking. They will, no doubt, come back to me when *Hansard* is through with them after recording today's proceedings.

Mr. Speaker: That, of course, does not in any way constitute a question of privilege.

Order Paper Questions

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a further point of order. Your Honour will be delighted to know that this point of order is a question to the government House leader as to the business as we proceed down through the calendar.

Mr. Sharp: Mr. Speaker, on government days in the foreseeable future, until the date of the budget at least, the priority will be second reading of Bill C-84 which, as I said last week, the government wishes to have dealt with before other matters before the House with the exception of the budget. On Thursday last I gave a tentative list of allotted days from now to the end of June. I have had some discussion with the House leaders and indicated that it would be desirable to make one change in that tentative list because of the arrangements for the debate on the budget.

Therefore, I wish now to designate the following allotted days: May 17, 20 and 21; June 1, 11, 15, 16, 21 and 22. There is one change. Instead of June 8, it is now June 1. That is the same day of the week and does not alter the mix of short and long days.

In accordance with Standing Order 60, I request you, Mr. Speaker, to designate the required order of the day to permit the Minister of Finance to make his budget presentation at 8 p.m. on May 25.

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

Mr. Sharp: I also wish to appoint the following days for the budget debate: May 27; June 2, 3, 7, 8 and 9.

ROUTINE PROCEEDINGS

[*English*]

ENERGY

TABLING OF AGREEMENT BETWEEN CANADA AND SPAIN RESPECTING ATOMIC ENERGY

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I wish to table, in both official languages, the text of the agreement between the government of Canada and the government of Spain for co-operation in the development and application of atomic energy for peaceful purposes.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 4,087 (revised), 5,174, 5,212 and 5,279.

[*Text*]

HEALTH AND WELFARE—DEPARTMENTAL CONTRIBUTION TO UNITED NATIONS DRUG ABUSE FUND

Question No. 4,087—**Mr. Matte:** (Revised)

1. Has the Department of National Health and Welfare contributed for the past three years to the United Nations Drug Abuse Fund and, if so, does this contribution amount to $1,000,000?

2. Does the Department plan to continue contributing to a similar programme and, if so, in what amount?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. For each of the fiscal years 1973-74, 1974-75 and 1975-76, the Department of National Health and Welfare granted* $200,000 (for a total of $600,000) to the United Nations Fund for Drug Abuse Control. However, the United Nations Fund for Drug Abuse Control was established on April 1, 1971. Since that time Canada has made the following contributions to the Fund: FY 1971-72, $150,000; FY 1972-73, $250,000; FY 1973-74, $200,000; FY 1974-75, $200,000; FY 1975-76, $200,000. Total: $1,000,000.

2. Officials in the Department are presently evaluating the performance of the Fund. A decision regarding future contributions will be taken after consideration of their report.

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*NOTE: Please note the distinction between amounts "contributed" and amounts "granted" by reference to the Treasury Board's Authorities Manual, Chapter 30, 0.3.11.3.

PARTICIPATION OF GOVERNMENT IN FRENCH AND ENGLISH TEACHING PROGRAMMES IN SCHOOL

Question No. 5,174—**Mr. Matte:**

In 1975-76, did the government participate in (a) French teaching programmes in Ottawa schools (b) English teaching programmes in Province of Quebec schools and, if so, what was, in each case (i) the name of the school and School Board concerned (ii) the amount granted?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): Insofar as the Department of the Secretary of State is concerned: (a) Yes, through formula payments for the teaching of French as a second language and aid given to the pilot project for the increased teaching of French as a second language in the National Capital Region. In both cases, payments are made to the provinces and not to the school boards or schools. In 1975-76, Ontario received approximately $1,300,000 in formula payments for the teaching of French as a second language in schools of the four school boards of the Ottawa region and $875,000 for the National Capital Region pilot project. (b) Yes, the government of Quebec received $9,351,866 in 1975-76 as formula payments for the teaching of English as a second language.

GOVERNMENT PROGRAMME FOR BILINGUALISM IN EDUCATION

Question No. 5,212—**Mr. Horner:**

1. Did the Secretary of State announce on September 9, 1970 that a government programme would provide $300 million to the provinces for bilingualism education in the schools by 1973 and, if so, how much was spent?

2. To which provinces was the money given for the teaching of which language?

3. How many students received additional education under this programme?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): In so far as the Department of the Secretary of State is concerned: 1. Yes. More than 85 per cent.

2. To all the provinces. English in Quebec and French in the other provinces.

3. It is impossible to determine how many students took additional courses under this programme.

GRAIN STABILIZATION PROGRAMME

Question No. 5,279—**Mr. Murta:**

1. What percentage of the total number of farmers are participating in the Grain Stabilization Programme?

2. What was the cost of setting up the Programme?

3. What is the number of employees administering the Programme?

4. What is the cost to keep the Programme in operation?

Hon. E. F. Whelan (Minister of Agriculture): 1. Approximately 92½ per cent.

2. $100,000.

3. Fifteen.

4. $421,000, estimated, 1976-77.

* * *

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if questions Nos. 5,099 and 5,158 could be made orders for return, these returns would be tabled immediately.

I ask that questions Nos. 4,446, 4,955 and 5,172 be made orders for return with reference to the information which has already been made available, and obtain the consent of the House so that the balance of the information would be tabled when that is produced to me.

[*Text*]

DEPARTMENTAL PUBLICATIONS

Question No. 4,446—**Mr. Orlikow:**

1. What departments, agencies and Crown corporations publish magazines, newspapers and newsletters on a regular basis for distribution to their staff or the general public?

2. How many copies are printed by each department, agency and Crown corporation and how are they distributed?

3. What is the cost to each department, agency and Crown corporation of its publication for printing and distribution?

Return tabled.

COURRIER SERVICES

Question No. 4,955—**Mr. Rodriguez:**

1. For the past twelve months, by department and agency, what amount was spent on the use of (a) private mail (b) courrier services and, in each case, what was the name of the company?

2. Was any of the work done on contract?

3. What types of mail are handled by private service and, in each case, for what reason is regular mail service not used?

Return tabled.

SUFFERANCE WAREHOUSES

Question No. 5,099—**Mr. Dick:**

1. What are the names of all sufferance warehouses used by trucks in Canada and, in each case (a) where is it located (b) what year was it licenced?

2. How many highway sufferance warehouses were there in Canada in each year (a) 1945 (b) 1950 (c) 1960 (d) 1970 (e) 1971 (f) 1972 (g) 1973 (h) 1974 (i) 1975?

3. What are the names of the highway sufferance warehouses and, in each case, how many entries were made of goods coming in and going out for a 12-month period in (a) 1973-74 (or 1973) (b) 1974-75 (or 1974) (c) 1975-76 (or 1975)?

Return tabled.

CONSUMER ASSISTANCE GRANTS PROGRAMME

Question No. 5,158—**Mr. McGrath:**

1. Since the inception of the Consumer Assistance Grants Programme, for each year to date and by province, how many consumer groups have been awarded grants?

2. In the case of each such grant, what was the (a) amount (b) name of the recipient group (c) date it was awarded (d) its purpose?

Return tabled.

BILINGUALISM PROGRAMME

Question No. 5,172—**Mr. Caouette (Témiscamingue):**

1. From 1970 to date, have any departments or government bodies negotiated contracts with Berlitz for the teaching of a second language to public servants and, if so, in each case (a) what was the contract (b) how many (c) for what amount?

2. For each year, what percentage of the money granted to the school was directed to salaries of (a) teachers (b) administrators?

3. Are the requirements for (a) formation (b) experience of the teachers only under the school and, if not, is there a link between such requirements and those that prevail when hiring teachers of a second language for the Public Service?

4. For each year, how many (a) French speaking (b) English speaking public servants have followed courses offered by the school?

Return tabled.

[*Translation*]

Mr. Speaker: Is the House prepared to adopt the suggestion of the parliamentary secretary?

Some hon. Members: Agreed.

Mr. Speaker: Are the remaining questions allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—ALLEGED FAILURE OF GOVERNMENT TO DEVELOP STRONG SCIENCE POLICY

Mr. Bill Kempling (Halton-Wentworth) moved:

That this House recognizes the necessity of Canada enhancing its scientific and technology efforts for its long-term benefit, and condemns the government for its failure to develop a strong science policy and for not adopting measures that will increase research and development in both the industrial and academic communities.

● (1530)

He said: Mr. Speaker, our motion today expresses not only our view of the state of science and technology in Canada, but I believe it expresses, as well, the view of a large majority of people in Canada in business and in the scientific and academic communities. I believe we could go so far as to say that most people in the department would probably agree with the temper of the motion. About a year ago, the subject of science and technology was debated on an opposition day; to be precise, on June 9, 1975. A review of that debate shows there was general agreement in parliament that increases were necessary for research and development in the sciences and in technology. One only needs to look at the trade figures for 1975. We had an $8.2 billion deficit in high technology trade. That, alone, should cause the government to review its objectives and goals in this area.

A short review of the attitudes of key departments of government shows a lack of purpose and direction. The Minister of State for Science and Technology (Mr. Drury) is a part-time minister. I do not say that in a derogatory way; I realize he carries two portfolios and that is an onerous task. He spends three or four hours a week, I understand, on the affairs of the department. He may wish to correct that figure, but that is the information I have. As I read his current view, Mr. Speaker, it is that we have a branch plant economy and perhaps we should purchase our technology offshore. The Minister of Industry, Trade and Commerce (Mr. Jamieson) echoes the view of the Economic Council of Canada that the future of Canadian industry lies in the development of knowledge-intensive, high-technology industries. These two views seem to be opposed.

Then we have the "on again, off again" special capital cost allowances—short-term in the main—of the Minister of Finance (Mr. Macdonald), and the Anti-Inflation Board regulations that classify research and development in the same grouping as donations to charity, sales promotion and advertising. The amount spent on research and development by a company is tied to a formula based on previous expenditures. If a businessman wants to increase his research and development expenditures, he must decrease in some proportion his donations to charity or expenditures on sales promotion and advertising. An analysis of those three positions will show the state which science and technology are in from the point of view of the department, from the point of view of the Minister of Industry, Trade and Commerce, and from the point of view of the Minister of Finance.

[Mr. Speaker.]

The Anti-Inflation Board regulation will hold back our advancement in industrial technology for years. This policy has resulted in a further withdrawal from industrial research in Canada. Several companies were involved in rather extensive research and development, but they have either moved offshore or to a better financial and unrestricted climate to carry out their work.

We have a welfare state in Canada financed by a resource-based economy. Due to the attitudes and the performance of the Minister of Science and Technology, we will never move out of this trench. In spite of the advice from the Economic Council of Canada and the views put forth by the academic community and the National Research Council, in spite of the views of parliament, and industry, we appear still to fumble and stumble along with the cosmetic policies and platitudes in the minister's speeches about the advances we have made in our short history. We have little time for those who like to state and restate our past achievements about how we set up a department of science and technology. I will always give credit to those dedicated people whose persistence and foresight kept our scientists together over the years.

The problems facing us today are too urgent to allow us to bask in the sunshine of history. There is too much time spent rearranging, not necessarily in chronological order, a series of developments and laying beside it a so-called science policy and then saying our achievements are a result of that science policy. That is a clever psychological trick. How many people involved in administering the research and development programs put forward by the government have worked in the field of science and industrial research. It seems to me they spend more time producing press releases and multicoloured annual reports than looking to the advancement of our scientific knowledge and the translation of that knowledge into technology so that human and economic gains may accrue to the people of Canada and the world at large.

This party believes that scientific research should be financed by government. We believe that the crises we are facing in resources, energy, trade deficits and human well-being can only be dealt with by increasing funding for scientific research. We believe the present policies of the government will relegate Canada to the position of a third-class or fourth-class developed nation. We believe the present policies of the government will keep us in the backwater of developed nations and will widen the gap between the rich and the poor in this country. If we continue on our present course, our standard of living will gradually decline and the status of science, education, health and technology will descend to such a level that no amount of money will reverse the trend.

Having said that, Mr. Speaker, let me now examine how scientific advancement is accomplished. Money alone is not the answer. The minister has stated this, and I agree with him. It is part of the solution, however, for researchers must be paid, equipment must be purchased and accommodation must be provided. A prime concern must be the environment in which the scientific community works. Scientific excellence cannot be achieved in an environment threatened each year by budget cutbacks and uncontrolled inflation. Scientific budgets have been vastly affected by inflation. Everybody knows this, but there does not seem

to be any response to it from the department. The rising cost of equipment has meant a decrease in the number of researchers in a given field. Many post-doctoral researchers are living on a pittance because the project head must try to balance people, budgets and inflation and the purchase of expensive equipment required for his particular field of research.

Scientific achievement is the result of hard work, a gradual building of knowledge in a field of science until, through the efforts of dedicated people, the result being sought becomes evident. That result must be translated into technology, and finally into the gross national product or into the enhancement of the health, well-being and standard of living of the people of Canada and the world. We often read of scientific breakthroughs. That is a journalistic term, Mr. Speaker. I do not really believe there are any scientific breakthroughs. Whatever we achieve in the advancement of scientific knowledge is the result of damned hard work. Our responsibility, as legislators, is to attain an environment stated in firm policy and backed by financial resources to allow the scientific community to pursue their research and to move Canada into the forefront of developed nations.

Great speeches are made by members of the government who say we must help the third world countries, that we must transfer technology to the developing nations, that we must help them advance and improve the quality of life of their citizens. What technology are we going to transfer? What technology will we transfer in the future? Are we going to transfer the branch plant technology the Minister of Science and Technology talks about? Are we going to transfer the knowledge-intensive, high technology the Minister of Industry, Trade and Commerce talks about? Surely anyone with an ounce of logic must realize that the Prime Minister (Mr. Trudeau) is really jawboning, as are other people who speak for CIDA when they advance this platitude.

● (1540)

If we do not move on an emergency basis to fund scientific research and research and development in industry, we shall have no technology to transfer to third world nations as we go down the road in the future. If we continue to let our trade deteriorate and our high technology trade balance deficit to increase, we shall place the people of Canada in a precarious position from which they may never recover. If we do not listen to the advice of the Science Council of Canada, the National Research Council, the Medical Research Council, the Economic Council of Canada and the voice of industry, and translate that advice into policy programs which are adequately funded, what future is in store for us? We shall become a second or third-rate scientific community unless we change the attitude of the government.

We must admit what most of us recognize, that a communications gap has opened between legislators and the scientific community. This was ably alluded to by the Science Council of Canada. Organizations such as Scie-Tech and the special committee on science policy in the other place, chaired by Senator Lamontagne, have been helpful and useful in bridging this gap. But the recommendations of the Special Committee on Science Policy have been basically ignored by the government. Instead, we hear about a balanced policy of scientific research and industrial development as proposed by the Minister.

The people of Canada have the right to know the government's position on the future of this ministry. Will the government continue to downgrade the department, a downgrading made evident by lack of direction and funding? Are we to have a part-time minister in future? Or are we now seeing the demise of the ministry? We went from a full-time minister in 1971 to a half-time minister in 1974. Now we have the part-time minister of today. It would appear that the present minister has been given the task of overseeing the demise of the ministry of science and technology. That is the opinion of many to whom I have spoken in the last few weeks. When the minister was first appointed to this portfolio, people speculated that now we had some muscle in the cabinet. After all, the former president of the treasury board is responsible for overseeing science and technology. That is what people thought.

What is the reality of the situation? I submit that our science policy is heading for disaster. Years of excellent research are being undone, and the advice of the special committee on science policy is ignored. Many research teams are now being disbanded. I have, personnally, seen letters sent to some of our most expert researchers, inviting them to leave Canada and undertake projects in other jurisdictions. Is it not sad that I must report this to the House? If we had half the purchase price of one Orion aircraft, which each cost $60 million, devoted to the advancement of scientific research and the development of industrial technology, we would be in a position to reverse the dangerous course we presently pursue.

In an era of restraint, talk of increasing expenditures brings the usual response from the treasury bench, "They accuse us of talking about restraint but continue to recommend expenditures." When ministers talk in this vein, they are hunting for headlines. They try to discredit any positive recommendation with the use of such tactics. I recall, at the time of the last debate one year ago, going up in the elevator with the minister. He conveyed that very thought to me, saying, "You are talking out of both sides of your mouth. You cannot have it both ways." I say that the government's priorities are wrong. They are out of phase.

The restraint program the government has implemented is, in my view, a dishonest effort at best. There is little or no co-ordination between the ministry of science and technology, the ministry of trade and commerce, and the ministry of finance. One wonders what they talk about if, indeed, they talk. We pour out millions of dollars in low-interest loans or no-interest loans to developing nations. Perhaps we should divert some of that money to science and technology so that in future aid will be available. By doing that we shall make sure that our economy is sufficiently buoyant to aid developing nations and any technology we shall transfer to them in future will be of such a calibre that it will enable developing nations more readily to take their place in the world community.

At a time when there is great speculation about the resources of the world, when gloomy predictions are made about limitations on growth, and when there is talk of more cartels in commodities and resources, the government of Canada appears to be in full retreat. We have in Canada great expertise in earth sciences. There have been major

developments in earth sciences in the last decade. We should use that expertise to understand better our resources and utilize better our technology.

I recall that a couple of years ago the members of the House were most interested in the people in western, northern and eastern Canada who were drilling for oil. We debated the subject and asked many questions in the House. Members on both sides spoke in glowing terms of the approximately 100,000 people engaged in drilling for oil and gas, people who rank among the world's most knowledgeable and expert in the field. What has happened to them? You will now find these people all over the world, the reason being our ill-conceived policies on energy and poorly thought-out policies on taxation. Now the government is beating its breast about increased exploration and drilling activities and creating more tax revenue, all in the name of energy self-sufficiency. If the government had possessed the foresight to meld the scientific expertise developed in earth sciences with the expertise of experienced seismic and drilling crews, perhaps we should not be in our present energy difficulties.

Let me turn for a moment to the subject of nationalism. Any time we talk about the academic community, the subject of nationalism seems to raise its head. It is true to say, I think, that in the late 1950s and early 1960s there was a wave of confidence in science. There was a feeling that we could translate much of the research being done into technology and lessen our dependence on foreign technology. With the growth of inflation and a series of cutbacks in research funding in the early 1970s, the hope of developing high technology for a strong, secondary industrial base faded.

We have seen lately an attack on the national origins of some of the leading researchers in Canada. This came about, I submit, because our universities geared themselves to the funding of the federal government and responded to the expansion of universities brought about by the provinces to meet the post-war baby boom. There developed in some fields of research, not necessarily scientific research, a surplus of researchers. It became the vogue to point to the national origin of a particular department head, and if he was not Canadian he was open to criticism. Let me say this: If we ever reach the point at which we assign a nationality to knowledge, expertise, vision and dedication, we shall deal a death blow to scientific research, a blow far greater than such research was dealt by cutbacks in research funding. Not only must we retain our best researchers in Canada but we must, with increased funding, continue to seek out the best minds in the world. I am afraid we shall lose many of our best researchers unless we can pry loose initial funds.

I think the government began its romance with science in the 1960s. In 1971 it appointed the first minister of science and technology. It was felt that the portfolio ought to be a low-profile one. After the initial splash of publicity was over, the first minister in the portfolio adopted a low profile. In fact, I do not think he is very high-profile at any time, in any portfolio. However, that is getting personal and perhaps I should not say that.

[Mr. Kempling.]

• (1550)

The second minister did not really have time to settle into the department before there was another shuffle that produced the present minister. Just in case some members think I am being unduly harsh on the present minister, let me say that I have the greatest respect for that gentleman. He has served Canada in many capacities and in many fields. I say that he has served Canada well.

Some hon. Members: Hear, hear!

Mr. Kempling: I have a high personal regard for him. Having said that, I have to question very seriously whether this should be a low-profile ministry. When I see the confusion in the departments of energy, industry and finance, I think that science and technology should not be a low-profile portfolio. I recognize that it is difficult to place achievements in science beside dollars allocated for funding, but that is the nature of science. It is a series of building blocks that are put in place, with the assistance of funding, until a structure is built that produces the result sought when the project was begun. One of the side benefits of scientific research is the spin-off effect from one project into another. It is something that cannot be predicted; it just happens.

Many people have said to me that if Best and Banting were to apply today for funding for insulin research, they would probably be turned down because the criteria have been changed. They would be turned down because of the criteria put forth by this government. There are many other aspects and benefits from the spin-off that are not apparent to us and may not be apparent at the start of a research project.

We are faced today with declining productivity in our industry. I do not know how many people realize it, but last year we lost 11 million man-years due to strikes. We lost more than 11 million man-years in industry last year due to alcoholism and drug use. Surely we must address ourselves to this problem if we are to increase our productivity. We can have the most productive and highly developed technology available, but if it will not overcome the more than 22 million man-hours lost because of strikes, alcoholism and drugs, it is not going to be of much use. I believe we have many serious problems facing us at present, in the future, and as far ahead as we can see. We in this party believe we should have in the House of Commons a standing committee on science and technology.

Mr. Maine: Hear, hear!

Mr. Kempling: I see the hon. member opposite applauding. I believe that his position is the same. We believe it should be, and can be, non-political in its make-up if its terms of reference are properly stated. We believe this could be a means of bridging the gap between the academic and industrial community and legislators. We believe this committee should have input from provincial governments, that it should meet with industrial and scientific groups and should co-operate fully with the committee in the other place. In fact, it may be that we should have a joint committee. Be that as it may, being a House of Commons man, I would rather see a committee here that would

co-operate with a committee there, and we could work together on projects.

We believe we should fund scientific research through various departments, on a priority basis. The funding should be projected for a minimum of five years but should be structured on a continuous ten-year cycle. While some scientific researchers do not like direction in their research projects, they must of necessity work toward broad national objectives. Surely, the fields of medical research, energy, ocean sciences, transportation, communications, housing, agriculture and pollution are of national concern. We must harness the scientific expertise we have in these fields and fund them on a priority basis over the next decade.

I cannot accept the philosophy that perhaps we should purchase our industrial technology offshore. That would place us in second or third place forever. While there is much technology we can use that has been developed elsewhere and may be a stopgap solution in the short-term, our long-term objective must be to translate the results of our scientific research into technology that we can use domestically and sell or transfer to others. In other words we must translate it into gross national product. We have to be hardnosed about where we are going. We can only do this if we plan on a continuous ten-year cycle and state the level of our funding on a five-year budget. If we could reach this objective, those involved in the field of research would be able to see where they were going. They would know what funds would be available to them and could time their projects accordingly.

When the minister spoke on June 9, 1975, he said, among other things, and I quote from page 6562 of *Hansard*:

> Put simply, we want to achieve a balanced development of knowledge and research capability in all fields of science and technology. For this reason we propose introducing a more unified and co-ordinated granting structure. The change will not detract from the influence or prestige of either the NRC or the Canada Council. We look to the former to have a major influence in the development of our industrial technological base as well as research into problems which, because of the scale of facilities required or because of time frames, are inappropriate for non-governmental bodies.

Where is the more unified and co-ordinated granting structure? All we have seen is a drastic cutback in all research and a restriction in industrial research and development through regulation of the Anti-Inflation Board. Further in his remarks, the minister stated, again at page 6562, and I quote:

> There is no decline in Canada's scientific and technological effort. The emphasis is shifting, I hope, toward growth in the application of science rather than the acquisition of knowledge, but in total I feel that our science and technology are healthy and ready to aid us in meeting the future. If we have a problem in relation to science it is in deciding where to put our money.

Well, they obviously decided not to put the money into science and technology. Because of the cutbacks, they decided not to adjust the budget of science and technology to account for inflation. When we view the cutbacks in this ministry and the cancellation of several research and development projects in the Department of Industry, Trade and Commerce, we have to question the sincerity of the minister when he made these remarks last year.

I have gone on at some length. I know there are other members who wish to contribute to this debate. I will close by saying that we in this party are very concerned about the future of science and technology in Canada. Unless we reverse the present trend, we shall lose valuable researchers. I have read letters which many of them received from universities in other jurisdictions, inviting them to continue research outside Canada and quoting the size of the funds available for their work. It is a shame that the body of expertise we have built up in this field should be allowed to dribble away. Once these people have left, it will be very difficult to get them back for the benefit of Canada.

● (1600)

What are our plans for industrial development? I have followed the great debate which has raged in connection with foreign-owned corporations and branch plant economies. Unless we continually fund technological development—

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member, but his time has expired. He may continue with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Kempling: Thank you, Mr. Speaker. May I, before concluding, refer to the regulation of the Anti-Inflation Board which, in effect, restricts research and development work. I am sure hon. members will agree that businessmen do not put funds into research and development when they are operating at a loss, or merely breaking even; they do so when their enterprises are operating at a high level of profitability. That is the point at which they are interested in developing new products, confident that they have a market for them. To place any restriction on research and development is counterproductive. I hope the Minister of Finance will take this into consideration as he prepares the forthcoming budget, because if anything should be changed, that particular regulation under section 12 should be changed.

I thank the House for allowing me to conclude the remarks I wished to make. I know there are many others who wish to speak.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, Canada has one of the fastest growing labour forces in the western industrialized world. We have tried to meet the needs of this country, according to a special commission of the OECD, by tremendous expansion of educational facilities from kindergarten to post-graduate level. This country is turning out more highly educated, highly skilled people than ever in its history.

The minister of colleges and universities in Ontario was quoted a week ago as saying that in Ontario alone more than 1,000 people were working to get degrees as doctors of philosophy. Extrapolating this figure across the country, and including those working on masters degrees, I would imagine the total number would be in the neighbourhood of 10,000. Many of these people have been looking forward to the time when they would conclude their difficult and extensive work toward their doctorates—looking forward to finding work which was rewarding both financially and in terms of achievement in Canada whether in our universities, in our research institutions, in industry or government.

Mr. Speaker, it is obvious to me that those expectations are not founded on reality. There is unanimous agreement in the scientific community, in the universities, in government and in private industry that there are not, and will not be, positions available to the people who are graduating, and that in fact we have no science policy. Members opposite will, I am sure, maintain that I am saying these things because I take a very partisan view. I admit to being partisan. Let me, therefore, put on record the views of the Royal Society of Canada as expressed in a letter to the Prime Minister (Mr. Trudeau) in April, 1976, copies of which were sent to all members of parliament. Allow me to quote a few paragraphs from that statement.

Budget freezes and cutbacks along with inflation have so impoverished research and development in all three sectors—government laboratories, universities and industry—that we are facing the break-up of competent research groups . . . the downgrading of the quality and scope of research, and loss of morale among researchers.

The brief goes on to say:

By 1975, government support for industrial research and development (considered as a fraction of gross national product) had declined to 87 per cent of the fraction of GNP it had in 1969.

In government laboratories, the 1975-76 level of financing was only 83.3 per cent of the level in 1969. "This has not arisen because of the transfer of significant amounts of research and development to industries or to universities. This transfer has not occurred. Instead, the decrease has come about as a result of inadequate budgets."

What did the society say about universities?

The situation in Canadian universities is even worse. In 1975, financing had dropped to 67 per cent of the 1969 level.

The letter goes on to point out:

The government has frozen the 1976-77 budgets of the National Research Council and the Medical Research Council, the two granting agencies which provide most of the funds for scientific research in Canadian universities. This freeze will cause a further decline this year to about 60 per cent of the 1969 level.

Senior civil servants are saying the same thing. The president of the National Research Council was quoted in the *Financial Post* of January 24, 1976, as follows:

Canada will not be able to hold its own in the international market for new and improved manufactured products in a few years time because of these research cuts . . . We in Canada have been losing ground since 1969 in the research and development effort so vital to ensure that Canadian products compete favourably in the overseas technological market.

He goes on to point out that the freezing of the budget has meant cutbacks in all the support services which researchers in government institutes need. The government has cut back, or is in the process of winding up, a whole series of programs which we were told just a few years ago, in 1970, were the most promising method of building up our secondary industries to their full competitive potential. I refer, for example, to programs under the Industrial Research and Incentives Development Act and programs designed to ensure greater industrial productivity. Many other agencies created in this field by various government departments are being phased out as rapidly as possible.

● (1610)

Why is it, with government policies developed in answer to criticisms contained in the report by the Senate committee on science policy headed by Senator Lamontagne, criticisms to the effect that government policy was not meeting the needs of Canadian people, we now see a winding-down completely or a cutback of these programs? It is not just the academics or the theoretical scientists whom I have already quoted who are saying we are in real trouble. Dr. Keith Downey, director of the oilseed program at the Canadian Agriculture Research Station at Saskatoon, who was awarded half the Royal Bank award of $50,000 which is awarded in science, annually, by the bank, for his work in developing Canada's rapeseed crop, one of the major new agricultural crops we are selling in this country, had this to say:

Canadian investment in scientific research and development is falling far short of the level that other developed nations consider essential to their survival . . . Canada's investment of 1.3 to 1.4 per cent of annual gross national product in research and development is only about half the total spent by Western European nations and Japan.

Furthermore, Canada's research outlays equal just 4 per cent of U.S. efforts and are lower than the targets set in 1972 by Ottawa's special Senate Committee on Science Policy.

This country is in a unique position because of its proximity to the United States and because the people, in the main, speak the same language. It is easy for Canadian scientists to pack up and leave Canada, particularly when the government says, as it is every day and has been saying for the last four or five years, that it does not want them, does not need them and does not have the money to finance the work they are doing. It is easy for them to pack, leave and go to the United States.

Efficient and productive research teams built up over the years in Canada are being destroyed and gutted. When the government and the people of Canada wake up, as they will in a year or two, they will realize that we must begin to give support to scientific research and development, which we have not been giving if this country is to survive, grow and utilize the major portion, if not all, of its potential. We will have to begin to recreate these research teams in government institutions, universities and private industry, those same teams which this government would permit, indeed encourage, to be disrupted at the present time.

It is not as though we did not have the researchers who are capable and want to work. Three months ago I put on the order paper a notice for the production of papers asking for the tabling of correspondence between Canadian researchers, scientists in physics, chemistry, agriculture and medical science and the Prime Minister, the Minister of State for Science and Technology (Mr. Drury), the President of the Treasury Board (Mr. Chrétien), and the Minister of National Health and Welfare (Mr. Lalonde). This correspondence had reference to the government's policy of freezing or cutting back on funds for scientific research. The government has not yet agreed to table this correspondence and I have not yet seen it, although I have received dozens of letters from people in these fields—and I make no secret of it—or copies of letters sent to the Prime Minister and various ministers. I do not have the time to deal with many of them, but let me quote from one which went to the Minister of State for Science and Technology from a professor of the department of chemistry at the University of Toronto, dated January 16, 1976. He says, in part:

One has only to examine the budgetary treatment of the National Research Council over the past six years to realize that support of basic

science in this country has occupied a very low position in terms of federal government priorities. This council, which plays a crucial role for all Canadian university scientists engaged in fundamental research, has received budgetary increases over the period 1970-75 which have fallen far short of increased costs due to inflation. In a period when the consumer price index increased by well over 50 per cent, the NRC budget received cumulative increases totalling only 5.5 per cent. In the forthcoming budget year (1976-77), when the CPI will probably again increase by more than 10 per cent, the NRC budget will be frozen at the already inadequate 1975-76 level.

I do not have time to read the whole letter, but let me put one additional sentence on the record as it indicates that we have people here who are capable and more than qualified to do the kind of work required. This is what Professor Yates says in part of his letter, talking about the calibre of Canadian scientists:

To name just a few from my own university: Geoffrey Ozin was awarded the Meldola Medal (from the U.K.) given annually to the leading inorganic chemist under 35; similarly John Polanyi was awarded the Marlow Medal (also from the U.K.), a corresponding award to the leading physical chemist; Adrian Brook recently won the Kipping Award of the American Chemical Society, given annually to the leading organosilicon chemist—

I am sure that kind of record can be duplicated by many universities in Canada. This is the situation, as I suggested earlier, the government is cutting back on in its winding up of programs and incentives to private fields. Let me just give two illustrations of the failure of these programs, a failure that we on this side predicted at the time. This government has given millions of dollars in grants and loans to RCA for research work in its laboratories in Montreal. RCA Canada had the largest private research laboratories in Canada. That company has made the decision to decentralize its research facilities. That is its decision, and the Canadian operations will ostensibly report to the United States operating division. In fact, I am told that the Canadian research facilities will virtually disappear. The highly educated, highly trained and highly qualified people who are employed there will be either laid off or transferred to the United States. That is an illustration of one result we have had in this country of this government's programs.

Then we have Northern Telecom which, together with Bell Telephone, set up a subsidiary called Microsystems. Microsystems received $34 million in past years to build microprocessors. These are computers of a silicon base which will be used increasingly in telephones, telecommunications, computers and in television sets—you name it, but they will be using microprocessors.

● (1620)

Northern Telecommunications has decided it can sell a lot more of its production in the United States than in Canada. Therefore, it has been proceeding to buy up companies in the United States which do this kind of work. It has been establishing new companies in the United States and is moving its operation to the United States. It will close down its Canadian operation, an operation in which, as I say, in the last few years we have spent $134 million.

Anything that has been learned as a result of the expenditure of that money which was received from the Canadian government will be used to make profits in the United States and to employ people in the United States. The policy of the government in respect of support for private industry and for research and development has been, as the Minister of State for Science and Technology admitted, a failure. I would put it more strongly and say it has been a complete failure. It has been a failure because the government, as I said at the beginning, has no science policy and has not thought through what it hopes to do with regard to support for scientific research and development.

The government does not know what products it should try to develop. Therefore, it does not know what sort of research and development it should be funding and what kind of companies have a chance to market the products which might be developed. The government, therefore, does not know what skills it should try to establish and what skills should be taught at the manpower training centres. It does not know what kind of people it should be helping and supporting in their undergraduate studies at Canadian universities. The reason is very basic. The government has no industrial strategy. It has no strategy which will allow it to set research and development priorities over the next number of years. The government should try to sort out how it should fund its hit-and-miss research process which is funded now on an ad hoc basis. Such a strategy is difficult to construct, but this country will be in a great deal of economic and social trouble in the next few decades if we do not really think through what is needed in Canada.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired. He may continue with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Orlikow: Mr. Speaker, I am sure there are other members who wish to speak. Therefore, I thank hon. members for having permitted me to continue and assure them that I shall not abuse the privilege I have been given.

If the United States can successfully mine minerals on the ocean floor, as they have been discussing at the recent Law of the Sea conference, then much of the production and sale for export of minerals which have made this country so successful in recent years will be in not only a difficult but a crisis situation, because this will destroy to a large extent our present economic structure which is based on the export of raw and semi-processed materials mainly to the United States but to other countries such as Japan. If this should take place, we will have to pay for the importation of even more manufactured goods than we do at the present time. Where will we get the money required to pay for these things? In this country we need to develop a rational policy, a policy which covers the needs of our growing population, rather than the kind of hit-and-miss policy we have had.

We must have a policy which looks at the resources, the raw materials and the manpower we have. We must develop a program in which scientific research is an integral part, and we must use it to the best advantage. If we are to do that, we must start thinking about rationalizing our whole approach to production of goods, industry and scientific research. Without that, the debate we will have in 1977 will be even more dismal and will involve even more protest from the people in the scientific community, in the

private sector, in government and in universities than what we have at the present time.

Mr. Gus MacFarlane (Hamilton Mountain): Mr. Speaker, I certainly appreciate the tone that the hon. member for Halton-Wentworth (Mr. Kempling) injected at the beginning of his comments. Sometime in a motion of this nature we end up arguing and someone trips both of us. However, the member does show a sincere interest in the topic, and honestly seems prepared to make recommendations in which all of us might be interested. I hope, for my part, that I might be able to do the same.

The hon. member for Halton-Wentworth referred to the minister as being very low-profile. I think the minister would agree that probably the hon. member for Halton-Wentworth and myself have more weight, either separately or together. Perhaps that is not a profile. I also notice the hon. member mentioned something about there being something dishonest, basically, in the thought of dealing with industry, trade or finance as though the departments might not really be working with each other but moving in different directions. It seems to me that the minister has had pretty close consultation with the Department of Industry, Trade and Commerce.

We have heard talk of the possibility of there being a super-corporation probably to deal with the air-frame companies in Canada. If this were done, obviously one would presume there would be some research moves in the direction of inventory and manufacturing capabilities in this country today. The Department of Industry, Trade and Commerce probably has some close contact with science and technology in this regard.

At the finance end, I would presume the finance department has probably had more contact than anyone else, because although there was a reference to a cutback, I notice in the budget that, rather than being a cutback, there was a 13.6 per cent increase, and in respect of the average department we are dealing with a 13.5 per cent increase. So it appears that science and technology has been dealing with finance.

One of the great problems is the discussion of pure research versus the very practical technology industrial type of research. I must be fair about this. My main interest, being English, is that I speak somewhat as a layman. I leave the really serious scientific side to members who are highly qualified in this field, such as the hon. member for Wellington (Mr. Maine) and some members on the other side who I know have strong and good views on this subject. As I say, my main interest is English and I have received the odd gold medal for public speaking, but I would say that the best medal I have received, or the most important, would be the copper medal I received from a football team for common sense.

● (1630)

Perhaps there should be some common sense here, and maybe some ordinary souls should speak out. With a minister as interested and as diligent as the one we have, a minister with as broad a range of interests in science as he has, a minister with a profound interest in art, music and the writings of Khalil Gibran and others, and also a strong interest in science and technology as evidenced by his own capabilities and applauded by the hon. member for Halton-Wentworth, I think I can speak to him in a common sense way, and perhaps as a person I might say to him that I make a plea for pure research rather than continually developing the industrial and practical side. It may be that Franklin's wife said, "Hey, Ben, go fly a kite" and we got all these lights. Maybe it was not planned, and maybe he did not have the lab going at that time.

Some hon. Members: Oh, oh!

Mr. MacFarlane: I think we have to take note of the fact that we do not know if in some areas of research people are doing a study into the coefficient of the speed of skating in relation to the size of the blade and the size of the rink. This sounds like interesting research, but I assume that when the blades get big enough, they back up against the boards and you stop. I do not know why you should have to reearch that. When the blades get bigger, they slow you down. Other people might do research into basketball rebounding. It is very interesting to stand and throw a ball up and see in which direction it goes—but if you are not in the direction it went, there is not much point in throwing it up in the first place.

I must say that in my opinion the layman has something to say here, and since I have spent some time at universities and I have some friends whom I meet across the country, since I have met people in la belle province at the Université de Montréal, since I graduated from McGill myself and have spent some time in the maritimes at Mount Allison and, of course, my close connections at McMaster and with the west through UBC and Alberta, this brings me in touch with many people who are concerned at this time.

I consider the motion before us today a very serious one. It deals with a specific area of government activity, but in a broader sense it reflects our total country today. I am pleased to have this opportunity to speak because it affords me the opportunity to respond to the remarks of the hon. member for Halton-Wentworth. I have mentioned his name several times because I really believe he has set a tone which I hope will be maintained through the entire day when we will be putting forward some of our own ideas which we think are of benefit to all concerned.

I have met many great teachers, professors and researchers through these years and I have come to admire their dedication and skill. During the past several months I have met with many, both here in Ottawa, in other parts of the country and at McMaster in Hamilton. In our discussions I have been most impressed with their commitment to Canadian research and their concern for our research capabilities in the future.

At this time, the entire nation and every aspect of it is battling the war against inflation. The inflation rate in Canada has caused hardship on all sections of our society. Research is not exempted. Our dollar does not get us today what it did in the past. Our research dollar does not provide the same benefit today as it did yesterday. This situation has unique effects on continuing research in Canada. Those who work in research may feel forced to leave Canadian centres to seek a better environment in which to work and live. Programs which have developed over the past years may suffer and never be completed

because of lack of continued funding. We may lose for years the one cure that we have worked for and to which we are so close.

I have another great fear. At our universities research plays a dual role. It provides for society today, and trains our scientists for tomorrow. A university teacher engaging in original research is able to bring to his teaching of undergraduate and graduate courses a first-hand excitement and freshness in presenting the latest in new scientific knowledge.

There are reasons why we are all concerned about the status of Canadian research. We are one of a few nations with a wealth of resources and a low population density. This will permit the creation of a future society, implementing western ideals and avoiding past errors. We can mould our future on the basis of national analysis and creative imagination. This potential, in itself, is a valued resource. This resource may suffer also. Mr. Speaker, the value of research is not only the good news it brings us, but also its ability to warn us of danger and prepare for these dangers. It is a cost we bear today for tomorrow. There are the concerns that have been presented to me by the research community in Canada. They are concerns for Canada today and for our future.

Mr. Speaker, I have spoken of the ill-effects of our restraint program on research in Canada. I have said this without embarrassment, for I know it was a difficult decision the government took—a decision they would rather have not taken. However, the seriousness of our present economic situation called for strong, firm leadership. The cutbacks demonstrated to all the government's ability to show leadership in difficult times. The word "cutback", do not forget, is not to be confused with the government actually going in and cutting back. The fact is that in these inflationary times the amount available, even with increases, means that those in charge within the research areas would have to make these decisions themselves. They have taken this responsibility and they have made the decisions, but still they indicate to us—and in some ways I hope they will win the battle—that more priority should be given to them and that, as we move toward the end of the control period, some day we should be planning now to give more priority to research than we have in the past so that we do not contribute to what might be called intellectual colonialism where we depend on research coming from elsewhere and holding us in its grasp. We may utilize those fine researchers who come and work in our communities and help develop our young students, but we must also utilize our own young students, doctors and researchers so that we do not become victims of intellectual colonialism.

The Minister of State for Science and Technology (Mr. Drury) is well aware of what I have said. In October, 1975, the minister wrote a paper for Science Forum which indicated not only the government's commitment to the science policy in Canada but also a firm understanding of how the scientific community functioned, its problem and its need. I know the minister would welcome all hon. members' views and thoughts on this topic. I have every confidence that all recommendations would be considered with a fairness and freedom which we have come to expect from the minister.

Canadian research has produced good things for Canada and the world. Our medical research has reduced suffering and death. Chemical and industrial research advances have put Canada in an enviable position. Our nuclear research and development is highly acclaimed throughout the world. On a more personal level and a more important one, our children do not die from diphtheria, our contemporaries can live satisfying lives with diabetes. There are many ways in which we benefit from past medical research. Does not our generation have an obligation to leave to our grandchildren the benefits of our contribution to the control of other as yet uncontrolled diseases?

Mr. Speaker, I have spoken of the present hardships facing research in Canada today. I have spoken of the success we, as a nation, have seen in this important area. We should be equally disturbed and proud at this time. I have said that the minister would receive recommendations in good faith and with fairness. I believe that research can only thrive in a climate of continuity. We risk too much if funding is "stop and go". The scientific community seeks to moderate the size of the downswings in funding, and this preoccupies them to advocate forcefully a solution of continuity. We should structure our research activity in such a way that both politician and scientist can work with the economic resources available. We should consider the advantage of more effective and direct communication between scientist and government. Only in this way will the research community and government be able to better serve Canadians.

Mr. Speaker, we in Canada have much to be concerned about. The government has shown leadership in its fight against inflation. We know the program is working. It is important, during this period, that we concern ourselves with the days ahead. I see a strong light at the end of the tunnel, and it gets brighter all the time. While they are hard time, they may also be the best times. The people I have spoken with on the matter of funding for research share this view. It is willingness to work together and to labour in Canada for the good of all Canadians. There is an appreciation of the current situation in our economy. There is a belief in the future, and a conviction that it will be better. We can, indeed, spend and study today to plan for tomorrow.

● (1640)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Winnipeg North Centre (Mr. Knowles)—Pensions—Denial of pensions to retired members of armed forces and RCMP until age 60—Government action to rectify; the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall)—Manpower—Measures to provide employment for students; the hon. member for

Saskatoon-Biggar (Mr. Hnatyshyn)—Multiculturalism—Proposed appointment of minister.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—ALLEGED FAILURE OF GOVERNMENT TO DEVELOP STRONG SCIENCE POLICY

The House resumed consideration of the motion of Mr. Kempling:

That this House recognizes the necessity of Canada enhancing its scientific and technological efforts for its long-term benefit, and condemns the government for its failure to develop a strong science policy and for not adopting measures that will increase research and development in both the industrial and academic communities.

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, before I begin my remarks I might just comment on a couple of the items raised by the hon. member for Hamilton Mountain (Mr. MacFarlane). In his assessment of Canada's research, development, scientific and technological efforts, he sees a light at the end of the tunnel. I suggest to the hon. member that if he is going to be accurate in his assessment of our situation in Canada today, that is a headlight of a train coming the other way.

The hon. member made another interesting statement. He indicated that spending on research, development, science and technology by the government would be frozen until the end of the controls period. I hope that was an error in semantics, or an error in language, and not an error in fact with regard to an indication of the intent of the government, because the situation is far from being rosy and far from being a situation which is getting better daily, as might be indicated by the metaphor "the light at the end of the tunnel."

My friend and colleague, the hon. member for Halton-Wentworth (Mr. Kempling), who introduced this motion today, indicated that it was just about one year ago, on June 9, 1975, that I had the honour of introducing a motion on an allotted day dealing with the subject of the Liberal administration's science policy for Canada. That motion not only had the support of all opposition parties, but was also supported to a greater or lesser degree by a number of speakers from the other side of the House.

That day marked the first time in the history of this House of Commons that a full day was allotted to debating science and technology, and by and large the debate was erudite and of a high level. Several hon. members, albeit mainly from the opposition, spoke with supporting facts and figures about Canada's comparatively poor performance in this vital area. Hon. members from all parties, including the minister, acknowledged the importance of science and technology to Canada's and to the world's future. Yet comparing this administration's commitment to support science and technology for last year and this year, there is a deterioration: apparently this administration, when confronted with the issue of science and technology, is prepared to genuflect, but beyond that to do nothing whatsoever to demonstrate a sincerity of belief in the importance of science and technology to Canada's future.

In this technological age it is fair to say that there are few, if any, aspects of our society which are not affected by science and technology. However, in the context of the issues facing Canada today there are a few areas which are affected more than others by science and technology, toward which a meaningful science policy must be specifically directed. One of the scars remaining on the Canadian economy as a result of the policies of the Trudeau administration is the seriously weakened secondary or manufacturing sector of the economy. To a large degree, industries within this sector can be termed high technology industries. This deterioration has certainly had a bad effect on our trade, but another effect has been to lower the rate of employment in these industries. The current unemployment rate is at a record level, 7.4 per cent, and is directly related to the lack of health and vitality in this very important, high technology sector of our economy—and this the Trudeau government refuses to acknowledge in any substantial way.

In addition to its effect on highly technological industries, science policy is absolutely essential to any positive program of Canadianizing our economy and reducing our dependency on foreign investment, because foreign investment and foreign technology go hand in hand. The issue may have dropped from the front pages, but there are still millions of Canadians who want to see this government take positive steps toward the goal of increasing the proportion of our economy which is owned by Canadians.

To a very large extent the quality and quantity of life of Canadians will depend upon how we utilize science and technology. To even the most myopic observer our scientific potential is nowhere near being matched by our performance. With positive programs and strong initiatives we can effect dramatic improvements in such areas as housing, education health care, food, production, and urban transportation. It is difficult to imagine any aspect of our Canadian economy which is not affected by science and technology, but the problems associated with the above four areas in particular, namely, secondary industries foreign investment, quality of life and the environment, can be cured through the implementation of a meaningful science policy. The present ad hoc approaches of this government are simply unsatisfactory.

The other day, when the Minister of Energy, Mines and Resources (Mr. Gillespie) introduced his follow-up or second green paper on energy and analysis of Canada's potential energy policies, he introduced a new term self-reliance, as opposed to self-sufficiency. It was introduced in a context which is desirable for Canada for self-sufficiency in energy. I would go so far as to say it is extremely desirable and necessary that as a national we be self-reliant and that we not rely on other nations for our welfare. It is only through self-reliance that we can have freedom of action to pursue goals which are meaningful to Canadians so that we can have the security which is so necessary for a good life. That is the only way in which we can pursue independent policies which will provide Canadians with the better life they deserve and can have.

However, in talking about self-reliance I think it is necessary to acknowledge that it would be foolhardy to

seek self-reliance and self-sufficiency in all things. Quite clearly, we will never be self-reliant in bananas or pineapples, but one can identify three very key elements of our society in which it is imperative that we be self-reliant if we are going to have true self-reliance as a nation. The first of those areas is, of course, energy. In the last three or four years we have had ample demonstrations of how precarious a nation's future is if it is not self-reliant in energy, and we in Canada have that potential. The second area is food. A country which consumes more food than it produces is in a very precarious position, and one in which we as a country need not be in. Indeed, we are not—and I trust and hope that the government recognizes this. The third leg of this stool which forms the foundation upon which a self-reliant nation can be built is the area of technology. The government apparently does not even recognize the necessity for self-reliance in technology, because if we must continue as we have in the past and as we are today increasingly relying on foreign technology, we will never be able to have the freedom of action to pursue Canadian policies and Canadian goals which we want and deserve.

Self-reliance is not synonymous with isolation or with putting up barriers. A nation can be self-reliant and maintain active trade with the rest of the world, as indeed Canada does; but in order to trade I think it has to be recognized just what commodities a country has to trade. I think this can be broken down into four basic commodities. A country can obviously trade in renewable produce, agricultural goods, wood and wood products or hydroelectricity if it is generated in that form. These products we have in relative abundance, and through them we achieve a favourable trade balance. These items are products from non-renewable resources such as iron, steel, oil, gas nickel and other minerals. Canada produces and exports these in great abundance. It is very much like a farmer who maintains a standard of living by selling off a piece of the farm every year. Eventually the farm is sold off and there is no capital left, so the farmer has no means of making a livelihood. We cannot continue, in perpetuity, to rely on the sale of non-renewable resources to finance our standard of living. We can sell a third commodity, as any nation can—the sweat of the brow of its people. The Canadian people would never tolerate the long working hours and low pay necessary to make us competitive with some third world nations whose main component in the manufacture of commodities is brawn.

● (1650)

This leaves only one alternative, and that is to sell the skill, talent and technology of Canadians. This comes in two parts, the buying and selling of talent and, more important, the sale of technology in the form of value added in the manufacture of high technology products. In this area our performance as a nation is nothing short of disastrous. I have before me the trade figures for the last 25 years, broken down by groups, from Statistics Canada. Until 1970 our trade imbalance in high technology was $2½ billion. That was not good, but we produced more than enough primary products to pay for our negative balance in high technologies.

Since 1970, two years after the present government assumed office, there has been a steady, straight-line deterioration in our trade performance in high technology. In 1975 our negative balance in high technology trade was $8,192 million, an astromonic and disastrous figure. If this straight line continues, the nation will soon be bankrupt. We will have to resort to the draconian measures that Great Britain resorted used. There is precious little evidence that the government recognizes the severity of these figures. They certainly do not show that they recognize it by offering tangible programs and policies.

How is all this related to research and development? Coincidentally—possibly coincidentally, although I do not think so—we examine the figures which relate to gross expenditure on research and development as a percentage of the gross national product, and we see that the peak was in 1969. For years prior to this our research and development efforts were increasing as a percentage of the gross national product. In 1969 they represented 1.33 per cent of the gross national product. That is half of what the United States spends on research and development, Mr. Speaker, and it was the second lowest figure amongst industrialized nations in the western world. Since then there has been a steady deterioration closely paralleling the deterioration in our trade balance in high technology goods. In the latest figures I have, for 1974, .84 per cent of the gross national product was spent on research and development—one-third of what is spent by the United States, and that compares badly with industrialized western nations.

It is absurd for hon. members opposite to claim that we have a great minister who knows how important this is and who is working hard on behalf of science and technology in Canada. We have not seen that demonstrated. The minister may have had a fine record in the past, but his recent record is abysmal. This disastrous trend has to be reversed, Mr. Speaker, but the options are limited. We can resort to such draconian measures as Great Britain took, and devalue our dollar, impose high tariffs, put on exchange controls and all those things that are predicted by the pessimists. Already capital is leaving the country in anticipation of such measures because people see that evidently the government has no other programs to offer.

Mr. Caccia: Could you name them?

Mr. Andre: I could, but I will not. If the hon. member does not know about them, that is the typical myopia of members on the other side. They should read the newspapers. Our second alternative is to buy the technology needed in order to compete in the world. But that is self-defeating. A high percentage of our economy is already foreign-owned. Foreign technology does not come without foreign ownership; they go hand in hand. Xerox, Kodak and Polaroid have technology—but no amount of money could buy it. They can all set up branch plants in this country, but of course that does not cure our trade problems. The third and only reasonable alternative is to develop our own technology. Unfortunately, this government has not demonstrated any appreciation of this option.

In my opening remarks I noted that this is the second time that science and technology has been debated in this House—both times, I might note for the record, at the initiative of this party, and that says something about the priority given the matter by the government. In another sense, it has to be recognized that the House of Commons

is not the only forum for such a discussion. The question of science policy has been discussed widely outside this House. For example, the Senate Committee on Science Policy, the Lamontagne committee, has been studying Canada's science policy since 1965. It has produced three reports containing a multiplicity of excellent recommendations which have not been implemented. The committee is now hearing witnesses and trying to draw to the attention of the government the disastrous path that has been followed.

● (1700)

The Science Council of Canada, funded by the federal government for the purpose of examining science policy, has been in operation a number of years and has produced excellent reports and materials. The minister, who I guess devotes three or four hours a week to the department, has no time to read the reports. Evidently he has not been briefed by anybody who reads them. There is not one iota of evidence to show that the government has paid the slightest attention to what that scientific group has been saying. Scie-Tech, the Canadian Association of University Teachers, and a multiplicity of technical organizations across the country, have all commented extensively and contributed valuable studies and data on the subject. But judging from how the government has responded—

Mr. Deputy Speaker: Order, please. I must interrupt the hon. member, whose allotted time has expired. The hon. member may not carry on without the unanimous consent of the House. Does the House give its unanimous consent for the hon. member to complete his remarks?

Some hon. Members: Agreed.

Mr. Andre: Mr. Speaker, I will not prevail on the House much longer. I was of the opinion that our speeches were to be limited to half an hour, not 20 minutes. I will summarize by saying that the Science Council recently submitted a brief to the Special Committee of the Senate on Science Policy indicating the six areas in which in the 1960s our scientific and technological posture was seriously weak. Evidence accompanied the material; it is available to the minister and anybody else interested. It shows that in each of these areas the situation remains precarious and difficult.

In summary, let me spell out quickly the things the government ought to do. Regulation 12 of the Anti-Inflation Board should, as the hon. member for Halton-Wentworth suggested, be changed. That would cost the taxpayer nothing and could stimulate research and development.

Mr. Guay (St. Boniface): I agree.

Mr. Andre: The government could institute positive research and development incentives, because the amount of industrial research and development undertaken in this country is steadily decreasing. There must be more direct government spending in this area. As the previous speaker, the hon. member for Halton-Wentworth indicated, in the present period of restraints the government, unfortunately, can do nothing. But it has decreased spending on research and development since 1970. In periods when government spending rose 28 per cent, 32 per cent and 29 per cent respectively, spending on research and development went down. Therefore, no person opposite can claim that research spending decreased this year owing to constraints of the restraint program. That, Mr. Speaker, has been this government's posture virtually since it took office. I am convinced that not until this government is turfed out will there be any change in this policy.

Mr. Frank Maine (Wellington): Mr. Speaker, I have some bad news, some good news, and some more bad news. First, I thank the hon. member for Halton-Wentworth (Mr. Kempling) for bringing this issue to the fore in the House today. It is an important issue and deserves more attention. I support the hon. member's suggestion regarding the creation of a standing committee of the House of Commons on science and technology.

Now I come to the bad news. I feel that Treasury Board must be condemned for its policy of freezing university and government research budgets, and I include the budgets of the National Research Council, the Medical Research Council and the Social Science Research Council. This policy has done much damage and is doing much damage. It will be hard to tell how much damage this policy will ultimately do. The hon. member for Calgary Centre (Mr. Andre) said he thought the hon. member for Hamilton Mountain (Mr. MacFarlane) had said that this was to be an ongoing freeze. With respect, that is not how I understood the comments of the hon. member for Hamilton Mountain. I understand it is to be a one-year freeze. At any rate, that is what I understood the hon. member to say. Even so, a one-year freeze is not satisfactory.

Mr. Speaker, our present standard of living is the direct result of the harnessing of science, engineering and technology. This will be true to an even greater extent in future. It is very shortsighted indeed to tinker with our standard of living, which is exactly what the freeze is doing. So far as I can see, this dastardly policy has brought only one benefit. It has aroused the scientific community as it has never before been aroused—and it is about time, too. It is about time the scientific community realized that it, like others in the economy, must explain and justify how they spend the taxpayers' dollars. I urge people in the scientific community to organize, to join organizations like SCITEC where they can make their case known. Let them advise their members of parliament so that we can, within this political process, be informed of the problems of the scientific community. In this way we can also inform them of the realities of politics.

Mr. Paproski: Great stuff.

Mr. Baker (Grenville-Carleton): Well said.

Mr. Maine: I feel that Treasury Board has made a mistake. But then, any government, or any person cannot avoid, if action is to be taken, the making of mistakes. Only if you do nothing can you guarantee that no mistakes will be made. The great thing is to minimize your mistakes and to learn from the mistakes you make.

I say that the government is to be commended for establishing the Ministry of State for Science and Technology. In 1971 the government considered a new concept, a difficult concept which had never been put into practice. The ministry was set up, action was taken and mistakes were

made. But the government learned from those mistakes. Last summer, three years after being established, the new minister, having been installed in office in 1974 and having learned about the department's problems, action was taken and the department was reorganized. What has emerged is a completely new organization—and new faces with it. You will now see new faces in the entire top structure of the Ministry of State for Science and Technology. In the last nine months the ministry has accomplished more than most departments accomplish in decades.

Initially, MOSST made the mistake of adopting too high a profile. This created difficulties and made it difficult for the department to accomplish what it deemed was necessary. The department was ineffective. That, primarily, is why the reorganized department has adopted a low profile. It wants to be effective, and it is now doing its work without making a lot of noise about it. People who do not understand the department have criticized it for adopting a low profile. But people in the scientific community and those closely associated with the department know why this must be so and give the department full credit for what it is doing.

In this connection, may I quote from issue No. 8 of the proceedings of the Special Committee of the Senate on Science Policy, commonly known as the Lamontagne committee. On Wednesday, March 31, 1976, Mr. John Shepherd, executive director of the Science Council, that advisory body to the government, said, as reported on page 8:15 of the *Minutes of Proceedings* of that committee:

> At a very practical level MOSST is performing exceedingly well now as compared to the way it performed two or three years ago. It is struggling manfully to make the contracting out policy work, for example; it has established very effective relations with many mission departments; it is being extremely co-operative in science policy problems such as the transfer of technology from government laboratories to industry; and there is every indication that at that level of practical, low profile co-operation, MOSST is indeed performing very much better than it has hitherto.

The brief of the Science Council is printed as an appendix to that same issue of the committee proceedings. Paragraph 55 of the brief states:

> As an agency of the federal government, MOSST needs to respond to immediate problems and thus is oriented to short and medium-term issues. In addressing these problems, its role is to exercise influence rather than to wield power. In the vernacular, MOSST must have a low but distinctive profile.

● (1710)

Because it is a low profile department does not mean that action has not been taken. The people responsible for this action have been very effective. What has been this reorganization? We have a new secretary who was a deputy minister in the Department of National Health and Welfare. He brings with him the knowledge of the organization of government. Being a deputy minister, he knows how it works. Under the deputy minister we have three assistant secretaries covering government, industry and university. The man heading the government branch is a government man with 20 years experience dealing with different departments of government. He is very smooth, diplomatic and effective. In nine months he has accomplished a tremendous amount in getting that department working smoothly and co-operating with other departments of government with which it has to deal. The university branch has as its head an ex-vice-president of the University of Quebec at Three Rivers. She is a very efficient, effective woman, who is extremely well qualified and knows the university sector. I only hope the civil service does not grind down the efficiency which she has displayed to date.

The other sector—the most important one in so far as our economy is concerned—is the industry branch. The industry branch has been doing exactly the things in the last six to nine months that I have been advocating, and that is the primary reason I am in this House today—my concern with science in industry. It is almost an extension of Treasury Board, and as such has been extremely influential in the science policy that has been implemented in so far as the funding of science as every budget has to go through Treasury Board.

In the industry branch there are three primary areas it has been working on that are of extreme importance to this country. Make or buy, a policy whereby we are trying to transfer more technology to Canadian industry had been working very successfully with the assistant secretary of the industry branch when he was in the Department of Supply and Services, the most effective and effecient branch of government I have heard of. They were able, within two or three months from receipt of an application, to have a signed contract out to the applicant. With most departments of government I cannot even get a reply to a letter within two or three months, let alone a signed contract from initial contact. That policy has been in effect for a short period of time, since the first minister introduced it. It is now being re-evaluated to see if it can be improved in any way. It has been successful; they are trying to make it more successful.

The second, very important area has been government-incentive programs. Some have worked, some have passed their usefulness and others need a revamping because they have not accomplished all the objectives. The Department of Industry, Trade and Commerce contracted with Mr. Gordon Sharwood to look at this and make recommendations. He worked in consultation with Dr. Peter Mayboom of MOSST. They made their report at the end of January, and it was submitted to cabinet. The Minister of Industry, Trade and Commerce (Mr. Jamieson) reported to the Lamontagne committee yesterday that he had been briefed by Mr. Sharwood and that recommendations would be forthcoming within the next month or so. Hopefully, the whole document will be published and released to the public. This is an extremely important area, how to tackle the increased research and development needed in industry.

The third area the industry branch worked on, which is also extremely important in the Canadian environment, is the Grasley report on innovation, "The Availability of Risk Capital for Technological Innovation and Invention in Canada." Robert Grasley is a consultant who has been hired by MOSST for this report. The report has been submitted and is currently being evaluated as to how to implement its recommendations.

An extremely important factor for science in Canada in industry is how to encourage the entrepreneur. How do we harness his talents to benefit the Canadian economy? The government is beginning to understand the importance of

research and development and how it solves our problems. I quote the recent announcement by the Minister of Energy, Mines and Resources (Mr. Gillespie) about increasing funds for research and development. In a period of restraint, when moneys are not available, $9.7 million has recently been added.

Some hon. Members: Oh, oh!

Mr. Maine: All members should support that increase. This brings us to the point of what are the justifiable cases which will help solve the problems of Canadians. Where can we see the results of how money spent will benefit Canadians. Increased moneys can be obtained. This is a message to the science community, as well as the government, on how to increase the funding for science and technology in this country.

There is one area of importance that has not been tackled. Science and technology not only have to be harnessed, but controlled. It is this area of control that the government has not tackled. That is a shame. I urge them to get involved in this area post haste. The problem of the multinationals is very severe. I would like to go into detail on a current problem, one that occurred last month with regard to the RCA labs in Montreal. Radio Corporation of America decided to reorganize its company. They rationalized the North American market, that is, Canada and the United States, and made regions within that area responsible to New York. Canada is just another region of the United States in so far as RCA is concerned. As such, they do not need research labs in Montreal: they have centralized all research labs in the New York area.

I say to the minister and the government that that is not acceptable. In so far as the Canadian people are concerned, it is irresponsible. It shows a lack of sensitivity for those who work there. It involves Canadian priorities, Canadian jobs and Canadian contributions. This complete lack of responsibility by RCA should not go unchallenged. The government has to stand up, take notice and do something about this. We cannot carry on this way even though it is a branch plant of the United States. As the Minister of Agriculture (Mr. Whelan) would say, we will be milking in a rear position on the cow's udder.

There is one other area which is totally unacceptable. The hon. member for Halton-Wentworth said, and the hon. member for Calgary Centre added, the Anti-Inflation Board's recent guidelines classified research and development expenditures with charity and donations. Research and development is not a charity; it is a necessary part of Canadian life. Our standard of living today is a direct result of harnessing our science and technology. It will be more so in the future.

If you enjoy your standard of living and you want to enjoy it more, you had better not cut off our funding. To treat it as a charity, or an area where we should not increase our spending, is absolutely ridiculous. I appreciate the necessity of the Anti-Inflation Board guidelines to get across the message of restraint in this country. We have to beat inflation. However, you do not cut off your right hand in doing it when it will provide our future. Research and development, science, engineering and technology—that is our future. You do not cut down on the donations to increase science and technology. You do not cut down on science and technology to increase your donations.

I would like to finish off with one positive note. I have hope. What I have seen in the past nine months in MOSST gives me hope. Something can be done and is being done. I only hope the importance of these other areas is recognized by the government, and I hope, also, that the same energy will be used in dealing with them as was used in turning around the Ministry of State for Science and Technology and making it an effective department.

• (1720)

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, I welcome the opportunity to enter this debate. May I say at the outset that I certainly agree with the first part of the observations made by the hon. member for Wellington (Mr. Maine). However, I take exception to his description of the Ministry of Science and Technology, and I plan to develop this theme later.

Members who have followed the debate and who have listened to the speeches by the hon. member for Halton-Wentworth (Mr. Kempling), the hon. member for Winnipeg North (Mr. Orlikow), and my hon. friend from Calgary Centre (Mr. Andre), will recognize that there is a great deal of diversity of scientific endeavour which touches on the lives of all Canadians. I want to focus on two important points. I want to reassess the Ministry of Science and Technology, to take, as it were, an overview. Then I wish to turn to an area which I believe holds out a great challenge, one to which the government has not addressed itself: it is the development of institutions capable of handling the explosion of knowledge we have witnessed in recent years.

Before going further, I wish to compliment the hon. member for Halton-Wentworth for introducing this motion, one which clearly reflects the government's disregard for the importance of science and its inability to establish a science policy for Canada. After four years of existence, the Ministry of State for Science and Technology is on the verge of collapse and its operations during that period can best be described as ineffectual and powerless. When the ministry was first established it was formulated, one might say, with sex appeal and presented as the government's response to the need for providing better scientific and technical advice to various government departments. This exercise was doomed to failure for three reasons. First, with its limited budget it was obvious the ministry would be unable to generate the expertise necessary if it were to develop a forceful voice for science in government circles. Second, in keeping with Parkinson's law, it was inconceivable that a fledgling ministry could have any significant impact on well-entrenched departments with extensive in-house research expertise available to them. Third, the ministry's mandate was doomed to failure from the outset because it lacked authority for action.

In response to the inevitable failure of the program, the government introduced its new science policy for Canada during the Speech from the Throne in 1974. A kit was circulated providing background information which was interpreted by many as the forerunner of the establishment of a super-ministry. In commenting on the National

Research Council, the Medical Research Council and the Canada Council, the document stated:

> Generally the councils have been successful in achieving their major objectives. However, the disciplinary approach to financial assistance has not produced sufficient balance among the various research disciplines. Further, the increasing importance of interdisciplinary research demand financial assistance to this field of endeavour.
>
> There is still a need for financial assistance programs on a disciplinary basis. At the same time there is a growing and increasingly urgent need for a stronger co-ordination of the granting councils to assure support of a balanced development of knowledge and research capability.

The science policy enunciated in the Speech from the Throne and accompanying documents envisaged substantial changes which would have far-reaching effects on public policy. The scope and authority of the ministry were to be broadened and strengthened to such an extent as to give it the potential for affecting virtually every scientific endeavour carried out in Canada. The changes proposed were to involve not only government structures but future policy orientation and development. Thousands of the most able and highly qualified people in the country, together with teaching and research institutions across Canada, would be directly affected. With hundreds of millions of dollars at the department's disposal every year, the total spectrum of research and development would be directly related to government priority and national goals. What happened to these grandiose ideas? The minister disappeared. The promises contained in the Speech from the Throne vanished, and the responsibilities of the important portfolio concerned have been relegated to the Minister of Public Works.

The final chapter in the demise of the ministry was written when the present minister announced, in September of last year, that the existing policy would be scrapped and replaced by three branches with responsibility for science policy in the government, university and industrial sectors respectively. As if this were not a sufficient indication of the low priority attached by the government to the development of a science policy, he also stated that a corporate services branch would take over responsibility for the administration of the ministry.

We have now come full circle. Having begun with the expectation that the government would show genuine concern about developing a science policy, we have reached the present position in which we find a minister without authority, without a policy and—what is even worse—without any apparent interest in shaping future government policy in this field.

My own views of the importance of research and development are well known. Work in this field has been a major source of economic growth; it has been responsible particularly for the creation of new industries in the areas of electronics, chemicals and computer technology. The search for improvements in productivity has made it possible to expand output while lowering costs.

It is not my intention this afternoon to attempt to cover the broad spectrum of science programs, neither do I wish to go into detail respecting the low priority the government has attached to science in Canada. To place the subject in perspective, a brief comment on the Medical Research Council will serve to illustrate what has been the experience in other areas of scientific endeavour. In the relatively short span of eight years, the prestigious Medical Research Council has seen its confidence in the future replaced by financial crisis. Funds for medical research have not kept pace with the demands of society or with the expectations of the research community. In terms of constant dollar value, funding has declined. Increased difficulties have arisen in deciding on which discipline or project money should be spent. Increased difficulties have been encountered in attracting and retaining highly qualified people. There is a growing feeling that the quality of research staff and the significance of their work is not recognized by policy-makers responsible for funding research.

The resulting atmosphere of stagnation has created new phenomena, alien to many in the academic and research community, which will inevitably have an adverse effect on the quality of health care. I find it incomprehensible that the federal government should budget such an infinitesimal sum of money for research into health and welfare, such an important cornerstone of our national health system. For reasons which have never been explained, or perhaps even comprehended, those responsible on the benches opposite have refused to accept the principle that medical research, medical education and the quality of health care are inseparably linked.

● (1730)

In the few remaining minutes I have I wish to comment briefly on the urgent need and, indeed, the challenge confronting the federal government to develop the political capacity and understanding to respond in a very positive way to developments in the scientific community.

Perhaps the most important challenge of our generation has been the immensity of the technological revolution and our inability to develop political institutions and the intellectual capacity to deal effectively with these changes.

We have to recognize there are many thoughtful people, including those in various scientific disciplines, as well as consumers, who are asking the basic question if this technological revolution is producing dehumanization. I do not pretend to have the complete answer to that question, but I believe in part it is related to the difficulties we are experiencing in defining humanism in terms that are universally acceptable and, secondly, the infinitely difficult task of defining the technological revolution in terms that Canadians understand and in a context that will eliminate fear and assure the security and peace of mind Canadians are seeking.

The technological revolution has been characterized by an explosion of knowledge that is advancing at a pace faster than politicians understand, or at least admit that they understand, and what is readily apparent is that the pace of this advance is accelerating year by year. I have no doubt that by the end of this century man will learn more about himself and his environment than he has learned in all the history of recorded time, and yet despite this obvious fact the government has ignored this particular challenge and has remained mute.

Scientific progress and knowledge have produced and will continue to produce a total change in man's economic, social, and moral environment, yet the government has

developed Minamata vision and fails to act in response to this challenge.

The danger of this change is not the burden or responsibility of the scientific community, but rather the danger is that we have not seen a corresponding change in our political institutions to deal with this knowledge which may be decisive as to whether the course of change will be for good or for evil. For example, the development of the atomic bomb has created a fundamental change in all our thinking regarding relationships with other nations.

We see a growing concern in the world community regarding the risks of nuclear warfare, yet despite our fears there has been a proliferation in the number of nuclear weapons and a failure of our political institutions to reverse this trend, and an absence of universal moral persuasion to force our politicians to eliminate there weapons. Canada as an intermediary power with the technological know-how should be a leading moral voice in attempting to resolve this issue. Our record, which has been debated very many times in this House of Commons, gives evidence to the contrary.

The disparity between the developed and non-developed nations is a well recognized problem, yet despite malnutrition and starvation of over one billion people our efforts to eliminate these social injustices have been primarily limited to phrases like "the new economic order", etc., which I can assure you do not fill empty stomachs.

Computer technology has unquestionably added to the affluence of our society. However, its infringement on the privacy of individuals has not evoked an adequate response from the political institutions and we have not developed the intellectual perception to measure its future impact.

Medicine has not escaped the technological revolution. In many respects the technological explosion in health services has been far greater than that experienced in other disciplines and, not unexpectedly, has been accompanied by political and moral questions that remain unanswered.

We have seen substantial development of scientific methods capable of shaping the political values of individuals, or what is sometimes commonly referred to as brainwashing. These measures, both physical and psychological, will undoubtedly be developed and refined in future years.

More profound is the likely development of the science of adapting the human personality by chemical and surgical means. It is presently an established fact that certain personality defects can be eliminated by such methods. The consequences of these developments are profound, yet I see little thought given to such matters by governments or, indeed, by those governed. The rapid evolution of the science of genetics poses serious political and moral issues which remain unanswered.

If these examples seem somewhat futuristic, let me assure you they are not. I think all I need do today is mention such topics as organ transplants, artificial insemination, lifesaving systems, euthanasia or abortion, and I am sure I could elicit an immediate response and obviously an immediate debate.

[Mr. Holmes.]

We must recognize that advance in knowledge cannot be suppressed, and yet this is precisely the impression the government is conveying to the scientific community and the public by failing to respond to the aspirations of the scientists on the one hand, and failing to develop the institutions to deal with this knowledge on the other hand. I want to remind all hon. members in this House that in the past when suppressive tactics have been utilized or attempted to be employed, such action has invariably failed.

Demand for knowledge is as much a part of man's nature as is this spirit for adventure. What is needed is derection and purpose, and these will only emanate when we exert an equally profound effort to advance our knowledge and develop our political institutions in concert with scientific advancement. This is the government's challenge if we are to develop a meaningful science policy for Canada. In my opinion the government has failed in that challenge.

Mr. Norman A. Cafik (Ontario): Mr. Speaker, it seems to me that the question in the motion before us deals with two primary points, industrial research and development, and academic research. Members who preceded me have talked of both of these areas and I think those who will follow will do the same, dealing I hope more specifically with the academic side, which I do not propose to deal with in a substantial way in my speech.

The first point I should like to make is a more general one in connection with the problem governments have with priorities; that is, where they are going to spend their money.

Quite obviously it seems to me, from my experience here in the House of Commons since 1968, the opposition—in fact I think all politicians at every level—spend very much of their time paying lip service to the need for governments to spend less money. They do this on every occasion, yet when you look at this in hard cold terms here in the House of Commons it is quite evident that the same people, in practically every area, are trying constantly to get the government to spend more and more money. I do not think they can have it both ways.

It is unfortunate the public do not really see us as we really are. They hear the statements we make on television blasting the government for high expenditures. They hear such statements directly in their communities, but they do not see the reality here in the House of Commons where those same people are talking out of a different side of their mouths compared with what they say to the public. It is very important that the public begin to realize that they cannot have it both ways either.

In terms of research and development there is no question but that it is very important. However, so is every other area of government activity. I do not think there is any doubt that we ought to look after our senior citizens, that we ought to look after those who are sick and in hospitals, that we have to look after our veterans, as well as problems in respect of industrial and academic research. We have to do all these things. It is not very fair or very constructive to turn around and zero in on one narrow area in one particular debate, pointing out that we should be spending more money, without at the same time telling us

where we should be spending less in order to get additional funds to put into that particular area of activity.

Some hon. Members: Hear, hear!

● (1740)

Mr. Cafik: The next point I wish to discuss is in line with industrial research and development, an area in which I have taken a great interest since being elected to parliament. In my riding I have conducted a series of seminars at which I bring representatives of the government from Industry, Trade and Commerce, Statistics Canada, and other branches dealing with the business community, to meet the people of my riding in order to acquaint them with what I call the other side of the coin. People often say that the government has a negative influence on our lives. They know that the government takes tax money out of their pockets but few, especially small businessmen realize that the government has a very positive effect on their lives and has something to offer and contribute in respect of the advancement of their development in their particular areas of activity. When one looks at what has been done, for instance in the area of research and development, by the Department of Industry, Trade and Commerce—Mr. Speaker, I wonder if I may have a little order. There seems to be a battle going on here and I would appreciate having the opportunity to speak.

Mr. Baker (Grenville-Carleton): On a point of order, may I say that although I do not happen to agree with what the hon. member has been saying I have attempted to listen to his speech and give it the credit it deserves because of the work I know he has done on it. I apologize to him for what has occurred. We have attempted to listen to his speech, and I hope he will be permitted to carry on.

Mr. Cafik: Mr. Speaker, I appreciate the remarks of the hon. member for Grenville-Carleton (Mr. Baker). I must admit I have always found him to be a very attentive member of this House, particularly when I am speaking. I do not know whether it is because he wishes to attack me later on or whether he agrees with what I say. However, I have no complaint and I appreciate the comments he makes.

I was talking about the work done by the Department of Industry, Trade and Commerce in connection with research and development. There is no doubt that no other department, in a government of whatever political party, deserves more credit than the Department of Industry, Trade and Commerce. The Department of Industry, Trade and Commerce is one of the best departments in government in attempting to deal effectively with the business community. When I say this I do not mean to imply that I agree with everything done by this department, but by and large its programs are well conceived, well implemented, and have accomplished great things, I think, for the advancement of industry and industrial development in this country.

I might mention the Industrial Research and Development Incentives Act and the program which flows from that act in which the government becomes involved in expanding scientific research and development which might be of significant benefit to Canada, if successful. This particular program involves itself with the private sector in a very significant way. In the past five years over $150 million has been expended by the Government of Canada directly in respect of the private sector in order to assist it in this area of activity so that it might expand its industrial research and development to create job opportunities, advancements in our economy, and thus help the private sector as well. I think that program has been quite successful.

The Department of Industry, Trade and Commerce has the PAIT program, the program for the advancement of industrial technology. This is designed to assist Canadian industry develop new or improved products, processes or services, which incorporate an advancement in technology and offer good prospects for commercial exploitation. This program is being used very widely by the industrial sector in Canada. Over $135 million has been expended in this area in the last five years. These are both good programs.

I think one of the unfortunate things in respect of both these programs and other programs the department has is that very often the small business community does not have the expertise to go after these programs, to make out the applications, and pursue them sometimes at considerable cost. Too much of these benefits is left with the large industrial organizations. That is a problem which I believe the government recognizes. I certainly do. It is an area of activity in which we as individual members of parliament can become quite involved in order to bring these programs to the attention of small businessmen so that they can take advantage of them. I know that as a result of initiative taken in my area, in co-operation with the federal government, we have managed to bring that lesson down to the small business sector. This has been quite effective with people who normally would not have used these programs.

There is also the program called the Defence Industry Productivity Program which is designed to assist Canadian industry in developing and sustaining its technological capability to supply defence requirements on a competitive basis under the Canada-U.S. defence products sharing program. This program too has been very widely used. In that area we have contributed to the private sector in excess of $240 million in the past five years. These programs under Industry, Trade and Commerce, and many others which I do not need to outline today, are an indication of the importance the government attaches to industrial research and development.

My rough estimate would indicate that the amount of money we have spent in the private sector, or which we are proposing to spend in the private sector, in the 1975-76 fiscal year in this area alone is nearly $300 million. We also spend, in terms of research and development work, about $950 million on in-house laboratory work related to scientific activity through the National Research Council, the Department of National Health and Welfare, and others. This is a large amount of money to be spent on research and development. I am pleased that we are spending that amount.

I will say, however, I am a little disappointed that we have not moved more quickly in the area of transferring amounts of money from in-house research and development into the private sector directly. The policy has been laid down by the former minister of industry, trade and

commerce that this is the general approach and direction of the government in the future. I know that the wheels of government move slowly, but I would hope the new Minister of Industry, Trade and Commerce (Mr. Jamieson) would follow the example established by his predecessor and move quickly to move this kind of research back to the private sector, where I think it can be done more effectively and efficiently. There might be more benefit in the private sector than we would perhaps generate by doing it in-house.

In addition to this, there is a fair amount of money, I think about $200 million, spent on university grants and scholarships in the non-profit sector for research and development. All in all the contribution of the government on an annual basis of about $1½ billion toward research and development is a large amount of money in anyone's language. I think it could be argued that the amount should be greater, but I think there are just as many arguments that it should be less in a time of restraint. These are value judgments all of us have to make as individual members of parliament concerning where the priority should be.

I am relatively satisfied that the priority given to research and development has been reasonable in a time of restraint. If we spend a lot more money there might be significant benefits from it. But like all research, of course no one knows what the pay-off is until after the money is spent. That is the very nature of research work. There is never any certainty even whether there will be a pay-off. To put more than $1.5 billion into that area at this time with the risks that are involved seems to me perhaps to be going too far.

● (1750)

In addition to the money that is spent by the government itself, in the neighbourhood of $1.5 billion, there is a large amount of money spent by the private sector. It is estimated that in 1975 in excess of $700 million was spent on research in the private sector by the industrial community. You might wonder why I would bring this up when we are really debating the amounts of money contributed by the government itself. I do so because there are special arrangements under the Income Tax Act for fast write-offs in connection with money spent on research and development, which amount to about a 40 per cent contribution, which means that of that $706 million spent in the private sector alone the government is contributing in excess of $300 million in special tax write-offs in order to allow it to do that kind of work.

There is a lot of money being spent on research and development, but there is obviously room for spending a lot more. I think that when our economy is in a condition where we can allow an increase in government expenditures, some consideration should be given to accelerating the expenditures in this area of activity, but at present I am totally satisfied that the amount we are spending, particularly in the industrial sector, which I have talked about most in my few remarks today, is a reasonable amount.

Perhaps in some way we could get more benefit without spending more money, but I would simply make one point to the government for consideration. A large section of our research funds is provided by way of grants, some of which range up to 90 per cent of the cost of a research project, and some go down as low as 25 per cent. I think there would be some merit if the government were to consider giving less in grants in certain specialized areas, where it ends up giving low interest loans to many corporations which wish to get involved in research and development and which are quite confident they will have an economic pay-off in the immediate future, and cease to put money out with no expectation of return. I hope that the government, particularly the Department of Industry, Trade and Commerce, will give some consideration to adopting such an approach.

I have spoken to many large and small businessmen who praise these programs quite highly, but at the same time many of them say that what they are really looking for is access to funds. They say they cannot get funds at a reasonable cost in order to make high risk investments in research and development.

Mr. Baker (Grenville-Carleton): That is borrowed money.

Mr. Cafik: Yes, borrowed money. Although they like these programs—and I cannot see any reason why they would not if they can get a pile of money for development and not have to pay it back—many of them would rather have access to more money and have to pay it all back than get less money under the present circumstances and not have to pay it back. I think that we might be able to get a bigger benefit from our dollar in terms of research and development in the industrial area if we were to consider financing these projects on a repayable basis, at low interest rates. Clearly I am not trying to wipe out all the forgivable loan features in our programs. Some of them are in high risk areas, are highly desirable, and produce tremendous results. But I think we should take another look at all these programs to see if there is not a way in which we can assist our industries in a more significant way without having to allocate more resources in the process.

Mr. Crouse: Mr. Speaker, since it is nearly six o'clock, may I call it six o'clock now and begin my remarks after the supper recess?

Mr. Deputy Speaker: Is it agreed that we call it six o'clock now?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being six o'clock, I do now leave the chair until eight o'clock.

At 5.55 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I welcome the opportunity to speak on this motion introduced by the hon. member for Halton-Wentworth (Mr. Kempling), for one area of government failure has been in its allocation of funds for fisheries research.

When the Minister of State (Fisheries) (Mr. LeBlanc) appeared before the Standing Committee on Fisheries and Forestry on March 30 he stated that the estimated cost of carrying out the fisheries and marine program of the government amounted to slightly over $261 million of which some $155 million would be used for operating expenditures, while just over $113 million would be devoted to fisheries management and research and while some $42 million would be allocated to support activities related to ocean and aquatic sciences. On the surface this would appear to be an aggressive program. To someone looking at it for the first time it looks quite large. It is not unlike looking at an iceberg which looms large at first glance, until it is realized that nine tenths of its size are beneath the surface. The amount made available by the government for the fishing industry is readily comparable to an iceberg, for the basic needs of nine tenths of this important industry are, unfortunately, being ignored by this government.

I say this because the fishing industry is one of Canada's most important assets. It is vital to the livelihood not only of the residents of Atlantic Canada, not only of the residents of central and western Canada, but also to the livelihood of many people residing up and down the entire length of the Pacific coast.

The commercial landed value of the 1974 fisheries harvest, for example, was estimated to be close to $500 million and, of course, the resale value of this resource was much greater than that figure. Canada needs a viable, vibrant, strong and healthy fishing industry because it is the fisheries which provide employment opportunities in many areas of Canada where there are no alternative employment opportunities. In order to bring this about, constant, and I realize, expensive ongoing research is not only necessary, but I say mandatory. Unfortunately this government has not seen fit to maintain and staff an adequate research department, and this is reflected in the decline of our fisheries and those employed by the industry in all areas of Canada.

When I look at the Blue Book of estimates for this year, I cannot help but question the spending priorities of this government. I cannot help but ask how it is more important to be entertained than it is to be fed and to be employed. The minister mentioned, for example, that of $261 million for the government's fishing and marine program, $42 million was to go toward ocean and aquatic sciences. This is little more than half the amount made available to the CBC this year, which spends all it takes in from any particular area and which still requires a handout from the public purse in the amount of $416 million. This is some $63 million more than it required just a year ago. Yet the quality of CBC productions and, I might add, the record of service of its employees, seem to deteriorate in direct relation to its increased budget.

● (2010)

When I state my views concerning the lack of research funds for the fishing industry I am not alone in this stand. The Fisheries Research Bureau complained in its report of February, 1976, that the research planning, programming, and funding procedures with respect of Canada's fisheries resources are in a state of chaos. In fact out of a total budget of $261 million the Fisheries Department has allocated only pennies to its research program.

Salvation for the fishing industry could well come in the form of a 200 mile limit. The government has stated that such a limit is mandatory for the good health of our fisheries, yet this self-same government has delayed and is continuing to delay putting this 200 mile limit into effect. Canada needs this limit, and needs it now. We need the research to manage intelligently the harvest of fish within the limit as well as to extract the possible oil, gas and minerals which may exist on the continental shelf.

Canada once had a national research institution, the Fisheries Research Board, with a network of laboratories, and granting functions. This has recently been taken apart, however, and the pieces have not yet been put together in an alternative, viable structure.

A number of senior scientists have retired, and a university grant program has been transformed into a process in which university scientists are expected to serve as junior assistants to younger scientists in the federal field. As a result, at a time when Canada needs effective scientific studies on fisheries resources, the industry finds itself without an appropriate institutional structure to stimulate, guide, and achieve scientific success.

As well as the problems raised by insufficient research there are certain problems with the research that does exist. I believe that too much of our fisheries research effort is being diverted to manipulate coarse data into simple models with little objective reliability. For many stocks, herring, for example, maps of various stages of their life history are totally inadequate. Monitoring is in a difficult state in that the accuracy of statistics and landings for all countries is suspect; data on area of capture may well be falsified; technical samplings for sizes and ages both landed and caught are inadequate, and sizes and kinds of fish being discarded are unreported.

I have a letter dated March 11, 1976, from Professor K. H. Mann, chairman of the Department of Biology at Dalhousie University, regarding Canada's research effort. He states:

> I wish to draw your attention to the steady erosion of support for research in the universities through the National Research Council. During 1969-75 NRC funds increased, on average, less than 2 per cent per annum, and our present research grants are now worth, in real buying power, 41 per cent less than in 1969. Since most basic research is done in universities, this means a serious cutback in fundamental studies of problems of importance to Canada. We cannot argue that Canada can apply to its own problems the basic research done elsewhere. My own research is an example. We are studying the fundamental problems of the ecology of lobsters. This work is not being done anywhere else in the world. Lobsters do not occur on the Pacific coast, nor in waters south of New York. Hence there are very few first class laboratories with facilities to study the problems of the lobster fishery. We are told that provision has been made for the government to award contracts through the Department of the Environment, but in 1974-75 there were no contracts in biology which were on topics suggested by the university professors. This was in a year when the government spent $110 millions on intradepartmental research on biological and medical topics, and $6 million on research contracts.
>
> I find this position most alarming, and trust that you will share my concern and take appropriate action.

We certainly share his concern, for lobsters are among the largest dollar earners in Atlantic Canada. From the efforts of the Minister of State (Fisheries) to curtail the catch, we know there is considerable concern over the decline in stocks.

Certainly we know quite a bit about the lobster and its growth. One of the difficulties about raising it in captivity is its cannablistic tendencies. Come scientists have discovered, however, that by putting each lobster in a separate compartment and feeding it, it is possible to raise it from the larvae stage to a saleable age of four or five years. I hope the minister will seriously reconsider the amount of funds available for the development and improvement of our lobster stocks which provide so much of the income for inshore fishermen in Atlantic Canada.

The time for action on these problems was yesterday—not some foggy time in the future which may well be too late. In the recently released publication entitled "Policy for Canada's Commercial Fisheries" the need for more and better research is briefly mentioned twice. It states that Canada needs a co-ordinated research and administrative capability to control fishery resource use on an ecological basis and in accordance with the best interests, economic and social, of Canadian society. It also states that there is a need to provide the research and the institutional innovation necessary to foster the development of viable aquacultural enterprise. Although it could be construed that these two vague ramblings denote that fisheries officials recognize the problem, there is still no evidence that the present government plans to meet and challenge it.

I brought up this problem about the lack of research in the Standing Committee on Fisheries and Forestry on April 27, 1976. Witnesses from the department continually wanted to stress that their research on east coast redfish is unequalled. They were not as willing to talk about research on the other fish stocks, however. In light of the fact that there are some 60 different stocks on the east coast, that leaves some 59 stocks without adequate research.

We might ask what the economic result is of this inadequate research, Mr. Speaker. A regulation was passed on February 26, 1976—without consultation with any of the provincial governments—which I submit may well be a contravention of the British North America Act. There was no consultation with any provincial premier on this matter which could well put some of the major fishing ports in Newfoundland and Nova Scotia out of business. Why are we not managing all the other species that are in serious trouble, and in some areas are almost wiped out?

Statistics indicate landings of 23,946 metric tons of all ground fish species in the first two months of this year, of which 12,096 metric tons was ocean perch. Perch has been the backbone of the TRAWLER fleet and is the species required to give the volumes necessary to keep the all year round ports open. Existing government assistance programs will not overcome the increased costs due to the effect on overhead of decreased volumes.

To the Atlantic redfish regulations, codfish caught in the Gulf have now been added. The redfish regulations make second class Canadians of Newfoundlanders and Nova Scotians. I say this because of some of the rules and regulations laid down. In light of the time limitation I shall not read all of them, but I should like to place one on the record which was Gazetted on February 26, one day before government officials called representatives of the industry together to get their views on what should be done. Mr. Speaker, this is hypocrisy in high places.

[Mr. Crouse.]

One of the rules states:

> No person shall use any vessel that is more than 100 feet in length over-all to fish for redfish in the Gulf of St. Lawrence if the port from which that vessel operated prior to February 1, 1976 is situated outside the Gulf of St. Lawrence.

The owner of a ship of 100 feet in length based in the Gulf of St. Lawrence may continue fishing, but a Newfoundland captain or a Nova Scotian captain is unable to continue fishing in the Gulf of St. Lawrence. I say this regulation makes second class citizens of Newfoundlanders and Nova Scotians. Either we are all Canadians, with equal rights in this country, or we in Atlantic Canada are being discriminated against in legislation. I submit this regulation is unfair. It is unjust. I personally hope that changes will be made in future regulations of this type.

● (2020)

One may ask on what were these regulations based? I say that they were based on the inadequate assessment of L. S. Parsons and D. G. Parsons of Environment Canada. I do not wish to place the entire assessment on record. The first paragraph states that this was "a directed fishery". The quality and quantity of redfish stocks in the 1948-50 era was such that they were capable of sustaining a very heavy fishery. The report suggested that the people in Atlantic Canada should build fleets sufficiently large to take advantage of these stocks. This was done. Many large operators decided to expand their fleets in size and number, to take advantage of these stocks. They did this on the basis of the report submitted by L. S. Parsons and D. G. Parsons of Environment Canada, fisheries and marine service, Newfoundland Biological Station, at St. John's, Newfoundland.

The first sentence of the last paragraph on page 1 of the report reads in part:

> ... intensification of fishing pressure on redfish in the Gulf created concern about overfishing.

Later in the paragraph one sees the words "based on limited data." On the basis of limited data it was concluded that the red fishery conducted in recent years should be concluded. Because of limited data some companies may well be put out of business.

When Canada declares a 200-limit she will then be responsible for managing and allotting quotas within that area. Fisheries has stated that it plans to give Canadian fishermen as much quota as they need. Foreign fishermen would take the rest. However, is Canada presently in a position to determine what the quota levels should be? The Fisheries Council of Canada does not think so. Nor does ICNAF, which has stated that Canada does not have the necessary boats or manpower to collect adequately the needed data on the numbers and breeding patterns of the fish stocks within the 200-mile limit. Mr. K. C. Lucas of the Ministry of Fisheries said in committee that more funds for research were needed. He stated:

> You do not mount a research program overnight. You also do not get the results overnight. The results are probably five to ten years in coming. It is certainly something that we ... will be asking government, and bringing to their attention the fact that we will need, in particular, after extension of jurisdiction, substantial new resources both in operating funds and in terms of vessels and equipment to do a decent job of stock assessment so that we can, in fact, make better predictions and make better regulations for the harvesting of the stocks.

On the other hand I would say that these additional funds are needed now, not later. What Canadian fishermen gain by having a 200-mile limit could be lost by the government's inability to know and to preserve what we have out there.

Finally, our lack of research is costing us dearly in yet another field, in the lack of technology in developing a capability for mining the resources, mineral, oil and gas, on our continental shelf.

On Tuesday, May 11, as reported at page 11386 of *Hansard*, I asked the Secretary of State for External Affairs (Mr. MacEachen) about the U.S. proposal to mine some 6 per cent of its nickel requirements from the nodules on the seabed, and what our response was to this proposal. The minister replied that we opposed it. Mr. Speaker, we cannot continue to bury our head in the sand, and cannot continue to ignore new technological developments merely because we in Canada choose to be penny wise and pound foolish.

It is predicted that the mineral resources of the sea will provide great wealth in future, once technological processes to extract them are developed. One example is the five million tons of gold said to exist in the ocean. At present large amounts of petroleum and natural gas are being extracted from the oceans. Approximately 18.5 per cent of world oil production now comes from off-shore wells. This proportion is expected to increase by another 14 per cent within the next ten years. An estimated 2,500 billion barrels of liquid fuels are potentially recoverable from off-shore areas of the world, and some of this potential is believed to exist on our own continental shelf.

Phosphate deposits, which may eventually refurbish the supply of fertilizer phosphates, have been found off the coasts of the U.S.A., the west coasts of south and Central America, and off Argentina, Japan, and South Africa. Of course we do not know if there are any deposits off the coasts of Canada because we have not the research funds with which to find them.

I submit that manganese deposits hold the most immediate promise of reward for exploration. Plans are well advanced for the building of a plant in the Gulf of Mexico area which is to handle one million tons of nodules a year, from a 4,000 square mile mine site discovered between the continental U.S.A. and Hawaii. This operation is planned to yield 260,000 tons of manganese, 12,600 tons of nickel, 10,000 tons of copper, and 2,400 tons of cobalt per year.

As with other resources of the sea, the conflict in positions is between those with the capacity to exploit resources and those without such capacities. I submit that unless we make more funds available for research and development we may not only lose more of our fisheries resources but stand to lose our potential oil, gas, and mineral reserves, owing to our lack of technology for finding them and making them available not only to Canadians but to all mankind.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I join with others who have spoken today in commending the hon. member for Halton-Wentworth (Mr. Kempling) for putting down the motion which is the subject of debate and which covers all areas of research. I suppose one could contend that just about everything that needs to be said has been put on record, but I welcome this opportunity to speak for a few minutes as I wish to emphasize an area of research which I feel deserves a better break than the government has been giving it. I refer to the entire field of medical research.

Sir, Canada's contribution to medical research over the years has been tremendous. In recent years, in large measure owing to government funding, there have been assembled in our universities in particular, and in our medical institutions, teams of research workers who have enthusiastically been doing research on some diseases which are yet to be conquered and on ways and means to improve our environment, our diet, and all the things which make for healthy living for Canadians and, indeed, for human beings all over the world.

I think I can say that most of us in this House are disheartened because the so-called restraint program under which we are asked to live is being unfairly applied to medical research. In some cases amounts available are being frozen, in others they are being dropped, with the result that many teams working on medical research projects will very likely be dismantled or cease doing the valuable work they have in hand.

We are aware of some of the killers still with us, cancer and heart disease; we are aware of cripplers which still need to be mastered, such as arthritis and multiple sclerosis. We are aware that many diseases we thought hit only older people hit younger persons, even children. Surely, Sir, in this field in which Canada has done so much in the past, we should carry on in that tradition. I regard it as disastrous that the fine young men and women in our universities and medical schools who have shown such devotion to medical research are being discouraged by the present policies of the government.

I am interested in the various areas of research which have been discussed today during the course of this debate. They are all important. Next to medical research, I regard as extremely important research into things that relate to the environment, to the provisions of food of such dietary quality that it makes for good health and, indeed, all that goes to raising the standard of health of our people. When we talk about medical research and the health of Canadians, and the health of human beings generally, we talk about things that are extremely important.

● (2030)

I rise for these few minutes in this debate to join in the plea that was made earlier today by my colleague, the hon. member for Winnipeg North (Mr. Orlikow), and to emphasize the plea that we have made repeatedly, that the government desist from applying its restraint program to medical research.

Mr. MacKay: Cease and desist.

Mr. Knowles (Winnipeg North Centre): My hon. friend with his legal background wants me to use the phrase "cease and desist". In plain language, I want the government to stop it.

I know the government has a restraint program. When you see how money is spent in some cases, you are not sure that the government is aware that it has a restraint pro-

gram. But in any kind of program there should be common sense. Just because the President of the Treasury Board (Mr. Chrétien) is selling the idea that everything should be cut down is no reason why particular programs should not be looked at and the realization admitted that those programs should not be cut back or should even be expanded. You can cut back on some things and save a few dollars and, when the restraint period is over and the money supply goes up, there has been no great harm. However, if you cut back or abandon research programs, and our top scientists and medical students go to other countries, the loss down the road can be incalculable. We will never be able to measure it. We will never know what discoveries, in terms of conquering disease or promoting good health, were lost because of this disastrous, ridiculous restraint program that is being applied in this area.

When you put my name on the list, Mr. Speaker, you asked me whether I would take my full time. I said no, I just wanted a few minutes. I have said what I wanted to say. I want the government to have some common sense, to remove the restraint program from medical research, and to give medical research and those engaged in it the opportunity to carry on the good work they have pursued over the years.

Mr. Jim Fleming (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I hope in the next few minutes I might attempt, by describing certain activities within the Department of Communications, to outline very much a thrust by the Government of Canada in its science policy, more particularly by the Department of Communications, to do just the contrary of what today's motion accuses the government of doing. In fact I hope in the next few minutes, by developing on a particular theme, Canada's new communications technology satellite, I might prove that in fact the Canadian government is adopting measures that will increase research and development in both the industrial and academic communities of Canada.

I would like first to outline some basic details of the communications technology satellite. It is an experimental satellite which was placed in space early this year from the Kennedy Space Centre in Florida. CTS, as it is called, is seen as the advanced technology forerunner of a new breed of high-powered orbitting transmitters expected to provide a wide range of expanded communications services in the 1980's. It is the product of more than five years of work by Canadian government officials and Canadian industry space scientists and engineers. The work of those people over five years was a forerunner in the world.

The primary objectives of the CTS program are to demonstrate high powered television and other transmission to small and other low cost earth stations. That is one of the primary purposes and in itself will be a revolution, not only for Canada but for earth stations and radio station technology around the world. Further, one of the intentions of the CTS program is to flight-test major advanced technology subsystems of the spacecraft itself. The program is to develop further and demonstrate the abilities of the Canadian industry in the design and fabrication of subsystems and components for the space/communications systems of tomorrow.

[Mr. Knowles (Winnipeg North Centre).]

With a design life of two years, the $60 million satellite is being used for a series of social, technological and technical communications experiments by various groups on both sides of the Canada-U.S. border.

The CTS is being orbitted under a continuing program of Canada-United States collaboration in the peaceful uses of outer space that began with the 1962 launch of Alouette-1. Some hon. members may recall that the functioning of Alouette-1, the first satellite put into space by any nation other than the two superpowers, brought great credit and esteem to Canada and Canada's space scientists from countries around the world.

Canada designed and built the CTS spacecraft. The United States, after providing its high powered transmitting tube and free-launch test support, carried out the launch. The European Space Agency also participated through a bilateral agreement with Canada. I should point out that the satellite itself is more than 90 per cent Canadian produced and made up of Canadian components. As I began by saying, this is the most powerful communications satellite in space.

Canadian experimenter groups, whose interests encompass the fields of broadcasting technology, telemedicine, tele-education, community interaction, data transmission, and government operations in remote areas, will carry out experiments during the two year lifespan of CTS. Experimenters include several major universities in central Canada and the maritimes, the Quebec, Ontario and Manitoba governments, the CBC, Bell Canada, Telesat Canada, the Alberta Native Communications Society and the Rural Health Society of Victoria, B.C. When the charge is made by the opposition that the government is not adopting measures that will increase research and development in both the industrial and academic communities, they are overlooking this program. As I just read out, the people, companies, associations, academic community and political interests that will be involved, it is indeed broadly adjusting and interesting all the various scientific sectors in its program.

CTS is the first to operate in the new 12 and 14 Gigahertz satellite frequency bands allocated by the International Telecommunications Union. It incorporates three major advanced technology subsystems which are in themselves important experiments. If I may, I will just mention those systems.

The first is a pair of lighweight, flexible solar power arrays or "sails", to provide an initial power output of about 1,200 watts. It is those sails and, through the performance of them expanding in space, moving outward and revealing to the sun the solar cells, that in fact makes this satellite the most powerful communications satellite in space. I might say it is a totally Canadian owned company that was encouraged to carry out that technology as the result of the planning done on the CTS. The company in particular is Spar Aerospace of Toronto.

Another major advanced technology subsystem is a travelling wave tube amplifier of approximately 50 per cent efficiency with an output power of about 200 watts and a three-axis stabilization system designed to maintain high antenna pointing accuracy in spite of the flexing of the solar arrays.

● (2040)

While people around the world may well think of the United States and Russia as landing people on the moon and going into the far distances of outer space, Canada is right up there with the major powers of the world in modern communications and space technology, and the reason for that is the long run planning of the Government of Canada through its Ministry of Science and Technology, and especially because of the efforts of the Department of Communications and the ministers who have been in charge of that department.

Mr. Speaker, there are 26 major projects which will be carried out with the help of the communications technology satellite, and to show that the government is acting to increase research and development in both the industrial and academic communities I should like to cite several of the experiments which will take place. One is called radio broadcasting applications. The objectives are to demonstrate the technical feasibility of the satellite CTS for radio broadcasting, its relevance for the extension of radio services between small communities, and its possibilities for providing special interest programming direct to individual broadcasting stations. It is, of course, in the interest of our remote northern communities to receive this specialized programming which takes into consideration the needs of our ethnic peoples and the variety of their backgrounds. This kind of technology will also be of great importance and use for our native people.

A further test on the CTS will consist of television special demonstrations. By transmitting coverage of the 1976 Olympic equestrian competitions from Bromont, Quebec, to Montreal during the period July 17—August 1, it is hoped to determine the suitability of a CTS type spacecraft for remote broadcast and control and transmission reception from large, populated areas, while evaluating the flexibility and handling efficiency of portable ground stations under operational pressures.

One of the experiments is something called "Staff Training By Satellite". This is something of great significance and when we talk about restraint and the need to increase efficiency and reduce government costs. Staff training by satellite is a program where characteristics of satellite operation which might lead to the development of cost-effective, high-speed learning environments for training federal employees in their home offices will be studied. Improved professional development methods will be sought through exploration of new directions for educational TV via satellite.

There will also be telemedicine experiments with CTS. The satellite will be used to provide continuing medical education for doctors and allied health professionals practicing in remote areas by one-way video, with two-way audio. Community health education programs and transmissions of medical data such as electro-cardiograms and X-rays from remote areas will also be assessed. What this means is that in time somebody critically ill with a serious and complicated disease in a remote part of Canada could be quickly analyzed via a satellite in one of our major cities where a leading expert in that area of medicine could, from that vast distance, do his very best to treat a patient who otherwise would not get adequate treatment.

To mention another project, there is what is called the omnibus network. To ensure the widest possible access to higher education in the province, the University of Quebec is decentralized, operating out of regional centres with a telephone network utilized for teaching, management, and document exchange. The experiment using the communications technology satellite of the Government of Canada will test the ability of the satellite to improve this process, stimulating educational satellite applications considered likely to be operational in the 1980's.

Radio telephony with remote camps is another program. One-metre terminals will be used to establish high quality telephone links with remote sites in the James Bay area. The transportability of the terminal, and any change in productivity due to better communications between the head office of the James Bay Development Corporation and survey parties will be assessed.

To get into some of the more technical kind of programs along the scientific rather than the educational and social field, I might mention one or two which CTS will carry out. There are telephony, data transmission and synchronisation studies. The flexibility and reliability of the CTS system to aid in the precise control of remote power stations in Northern Quebec will be determined. At present, high frequency radio links connect such generator sites with a regional despatching centre in Quebec City. During the experimental period clock synchronization as well as voice fascimile and transmission of slow rate data by satellite will be studied.

The Manitoba government computer centre will be involved in a program called the "Government Teleprocessing Network Experiment." Further, a satellite link radio interferometry experiment will be watched by scientists who are keenly interested in the location, distribution, and structure of a number of intense sources of electromagnetic radiation deep in space. The purpose of this experiment is to permit the real time comparison or correlation of signals from such sources as received by different radio telescopes hundreds of miles apart. Much information can be determined or inferred from such comparisons, helping to unravel mysteries surrounding extragalactic radio sources. That is one of the 26 experiments which is to the forefront of the advances being made in space and satellite technology. It is carried out by means of a satellite which has made Canada a world leader, the most powerful communications satellite in space. It is almost entirely Canadian developed and built. It has been built through the work and effort of the Department of Communications, but also by encouraging the private sector. It has made several Canadian companies leaders in particular areas of space research.

In this context I might mention Spar Aerospace of which I spoke earlier, the company which developed the expandable wings which carried the solar cells which supplied power to the satellite and, because of that technology, made it the most powerful in space. In turn, the encouragement of such a company means that in the future when the U.S. government finally puts in place its space shuttle, which is the coming way of placing in orbit satellites, that space shuttle will include as a major part of its equipment an arm developed by Spar Aerospace of Canada, and it will mean that Canada will play a major role in the success of

that major space ship, the space shuttle, which is due for launch and eventually for regular use late this decade or early in the 1980's.

There is much more of course that is being carried out by the Department of Communications in relation to the overall science policy for Canada. I might mention particularly the Anik B, the fourth of the Anik series of satellites, which is planned to be launched in about two years in a program undertaken through co-operation between TELESAT Canada and the federal Department of Communications. That particular satellite will not only be carrying on its responsibility of providing domestic satellite communications, but it will include as well a 12 and 14 Gigahertz section as well as the traditional 4 and 6 Gigahertz bands in order to continue the CTS program of experimentation so that Canada may continue to be a leader in space Technology.

I might add that at the Shirley's Bay Space Research Centre of the Department of Communications important work is being done to find ways of reducing costs and improving telephone services in rural communities because of the serious problems we face there. As well, through the co-operation and assistance of the Government of Canada and because of the structure in Canada the subsidiary of Bell Canada, Bell Northern, now re-named Northern Telecommunications, has a reputation around the world as a front runner in telephone science and technology.

The motion laid down by the Official Opposition charges that the government has failed to develop a strong science policy or implement measures to increase research and development in the industrial and academic communities. One must always be concerned that every effort be directed toward research in Canada, and research has many various aspects but it seems to me the opposition is forgetting the very real world leadership position Canada has because of the planning of the government in space research and technology.

Mr. McKenzie: May I at this time direct a question to the Minister of Science and Technology (Mr. Drury) with regard to statements made by the hon. member from York West (Mr. Fleming)? It will only be a brief question.

The Acting Speaker (Mr. Turner): The minister may accept a question with the unanimous consent of hon. members. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. McKenzie: Thank you, Mr. Speaker. In his speech the hon. member for York West set out a description of all the work being done by the Ministry of Science and Technology. I would like to ask the minister this question in his capacity as Minister of Public Works. This is a point which was brought up during a meeting of the Standing Committee on National Resources and Public Works yesterday where it was pointed out by myself that $875,000 is going to be spent on installing new elevators in the Confederation building. I should like to ask the minister whether he considers it is a priority at this time to instal private elevators in the Confederation Building at a cost of $875,000 when we are curtailing expenditures in respect of medical research? We were told at this meeting by the Deputy Minister of Public Works that there are supposed to be savings—

● (2050)

The Acting Speaker (Mr. Turner): Order, please. I believe the hon. member asked a question. He is now entering debate.

Mr. McKenzie: I want to know if there is any assurance—

The Acting Speaker (Mr. Turner): Order, please. The hon. member requested permission to ask a question, not to enter into the debate.

Mr. McKenzie: I will conclude very briefly, Mr. Speaker.

The Acting Speaker (Mr. Turner): Order, please. I recognize the hon. Minister of Science and Technology.

Mr. Drury: Mr. Speaker, I regret to say that I was not at the meeting of the committee yesterday, nor am I familiar with the circumstances of the particular building. I think it was pointed out to the committee, however, that what we have been doing as part of an energy conservation program is a total energy survey in respect of each building under our control. As a consequence of that survey and integration of a total energy program we are making investments designed to conserve energy, and I suspect these new elevators are part of that.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I regard it as an honour to take part in this debate. It is a high level debate that deals with high level and important issues. For a long period of time the science community of Canada have wondered whether the House of Commons would ever turn its attention to the practical problems which beset that community. I suspect they thought their issues carried very little political sex appeal. I suspect also they were pessimistic in that their problems were being ignored by us.

In the last year there have been at last three debates of consequence on the problems of the scientific community. The first debate was launched on June 9 of last year by the hon. member for Calgary Centre (Mr. Andre). There was a debate prior to passage of an appropriations bill during which several members expressed a concern in respect of medical research. Now there is the present motion before us today by the hon. member for Halton-Wentworth (Mr. Kempling) which gives us another chance to consider something that is especially important.

In looking back at my correspondence from those who wanted to direct my attention to the problems of the scientific community I find they had very little to say to me and I, therefore, to them over most of my parliamentary career. The file I have tonight I find has grown up and developed mostly since the year 1974. I should like to share some of the views, the fears and hopes that are set forth in the letters that comprise this file.

Perhaps it is an obvious point, but one that should be made, that these are thoughtful Canadians capable of forming public opinion, and who do form public opinion, who have written us about their problems. These are bread and butter issues being presented in large terms with long

vision, rather than in short terms with immediate vision of self-help for one's own pocket.

I know the hon. member for Simcoe North (Mr. Rynard) has talked about scientific research on the late show on a number of occasions, and others in the House have raised these problems from time to time. When something becomes such an issue that it is raised on at least three occasions during special debates in parliament within a year, this surely means there is something wrong.

I listened with great pleasure to the speech of the hon. member who preceded me, the hon. member for York West (Mr. Fleming). After making a clarion call of self-satisfaction and patting the government on the back for what it has done, I still maintain the fact is that more and more people feel the government is not doing enough in this very large field of scientific research and development and technology.

I support the motion of the hon. member for Halton-Wentworth. I am glad he has proposed it, and I suspect many similar motions will be put forward and that members will find it more and more attractive to debate a subject such as science policy than has been the case before last year.

The file I have contains letters from all aspects of research; from experts in biochemistry and in pharmacology, as well as from the University of New Brunswick with its famous forestry school. A copy of one letter addressed to the minister who is the custodian of science and research in Canada, and who is also the Minister of Public Works (Mr. Drury), was forwarded to me.

Let me now move to some specific points of view. I want to present the histories or points of view from particular aspects of research. Since I am a member for part of the Halifax area one might suspect that many of these views would come from the university community there. That is precisely the case. They come from Dalhousie University, the medical college of which stands a few blocks away from my home. When you read letters such as this you realize some of the attributes and qualities that go into the making of a first-class research person, some of whom are also able to put the language into pretty glittering terms.

The first quotation I have contains one of the finest pieces of writing that has ever crossed my desk as a member of parliament. It comes from three members of the Department of Biology of Dalhousie University, Professors K. H. Mann, E. C. Pielou, and L. C. Vining. These gentlemen, involved collectively in biological research, state in part:

> We are alarmed at the steady decline in government support for basic scientific research. As evidence we point to the fact that since 1970 the funds allocated to the National Research Council to support research in universities (where most basic studies are done) have increased only 5 per cent while in the same period the Gross National Product has increased 49 per cent and the Consumer Price Index by 29 per cent. Moreover we are falling behind in comparison with other developed nations: in the period in which our expenditure on basic research rose by 5 per cent, that of Britain, France and the U.S. increased by about 50 per cent.
>
> The argument that belt-tightening is unavoidable in the present economic state of the world and that basic research ought to be sacrificed to short-term problem solving ("mission-oriented" or applied research, as it is called) is most shortsighted.

Brace yourself now, because here is the line that so took my fancy:

> It would be as sensible to advocate cutting off the roots of apple trees since, as any fool knows, apples grow on the branches, not the roots.

● (2100)

My friends continue:

> The problem solving functions of science that are now so urgent (because of the energy crisis, the population crisis, the world food shortage, the environmental crisis, and all the other crises that beset us) will falter unless there is a steady advance in basic science to nourish them. Everyone in this country daily uses products derived from the basic research of the past.
>
> Anyone who uses a telephone, a radio, or a TV, is using a device that could never have been invented without the basic knowledge of electromagnetism gained beforehand. Anyone who benefits from modern medicine, who flies in a modern plane, or who merely eats a modern load of bread, is profiting from basic research carried out some time previously. The dependence of our civilization on scientific knowledge is so taken for granted that it is forgotten.

That is the letter from the three professors of the Department of Biology at Dalhousie University. I think they make the point as effectively and as tellingly as it can be made. One of the students, Gynheung An, also entered another piece of correspondence. He pointed out the following in his letter:

> Our basic budget has now been frozen at $12.4 million for 1976/77 while the Biological Council of Canada recommended a basic budget of $18.5 million—

By very quick arithmetic that is approximately 50 per cent more.

> —and the Science Council recommended $19.9 million for the same period.

That, by a quick calculation, is more than 50 per cent. The student continues:

> As things stand now, over 60 per cent of the funds allocated through NRC are spent on graduate student support and technicians' salaries. A freeze at the present inadequate level of support is thus unjustified.

Professor Vining, writing for himself and not in association with his two other colleagues, wrote me the following about two months ago:

> We in the universities are seeing a rapid erosion of the value of our research grants as the cost of equipment and services skyrockets. To quote an example, a roll of dialysis tubing purchased in 1974 for $14.18 last week cost me $45.76 on re-order. Much of my NRC research grant is spent on salaries for technicians, summer student assistants or post-graduate associates. A freeze on research funds means that I can increase salaries for some to cope with inflation only at the cost of dismissing others. Highly trained people forced into unemployment in the present job market must seek other occupations and soon lose their skills.
>
> All of this makes worse an already difficult position for university research in the biological sciences. In 1974/76 NRC handled 1546 grant requests in biology and was unable to fund 22.5 per cent of them (the rejection rate was 0 per cent in nuclear physics and only 12 per cent in physics as a whole). A high proportion of university professors in biology departments are unable to undertake research and the university teaching environment has suffered accordingly.

Finally, because I know there are other speakers and I would hope that everyone who wishes to participate will have that opportunity, this point is made by Professor S. D. Wainwright, President of the Canadian Society for Cell Biology at Dalhousie University, and a member of the Department of Biochemistry:

> In my own case for example, of a total of $56,000 awarded by the NRC for the fiscal year 1975-76 approximately $36,700 will go toward salaries,

etc., for four employees. The balance is used for purchase of equipment and other supplies which are purchased from local dealers and agents as far as is possible. Actual proportions of grants spent on salaries and on supplies will vary for different grantees, and will on the average probably be less for faculty receiving the smaller average grants from NRC. Nevertheless, the over-all situation for all grants combined here, as in other parts of Canada, will correspond roughly with that for my own grants.

Time will not permit me to read all of the letter, but later he states:

The more severely the graduate programmes at Dalhousie are crippled by reductions in effective support for scientific research, the greater will be the future dependence of this region upon research scientists trained elsewhere (i.e. the U.S.A.). Indeed, it seems possible that in many areas Dalhousie would be unable to offer any graduate programme at all.

What a pity that would be because the history of that great university has been built in new directions and now is threatened with loss of some of the programs which have been won through an immense amount of effort and money. Those are examples, Mr. Speaker.

I can see at least three evils if correction is not undertaken. First, there is the very obvious one that what is lost will take years to recover. If an important scientific establishment is dismantled or crippled, the effects can be devastating not only in the short run but in the long run as well. The second thing is that the United States, with all its economic and other difficulties, which are as major as the economic difficulties of Canada, is doing a much better job of showing respect for scientific research. The inevitable result is that many scientists will be working in the United States who will have stamped on their personalities the expression "Made in Canada". Finally, we will lose thereby some of our industrial and scientific strength.

I think this all indicates that it behooves us not only to debate this question today but to take a good long hard look at it, and try perhaps as a parliament to do a selling job in some areas. We must go about the business of raising money by taxes and spending it, and I happen to think this is one of the areas in which this should be done.

The Acting Speaker (Mr. Turner): The Minister of State for Science and Technology (Mr. Drury).

Some hon. Members: Hear, hear!

Hon. C. M. Drury (Minister of State for Science and Technology): Mr. Speaker, I appreciate the particularly warm applause I heard from the other side of the House. I know it is heartfelt.

I must say it was a privilege to have been in the House during virtually all of today to listen to the contributions made during this debate. Like some other members I am grateful that the hon. member for Halton-Wentworth (Mr. Kempling) brought down this motion, the general topic of which I approve, or at least the first sentence or so in it. In the second part the hon. member appears perhaps somewhat to have lost his sense of balance and has engaged in what is meaningless, partisan rhetoric.

● (2110)

I do think it is useful from time to time for as distinguished a body as this to turn its attention to some of the problems facing science, the scientific community, the development and application of technology in this country. Everyone is agreed, it is quite clear, that both science and technology are immensely significant, immensely important in the development not only of our prosperity as it is generally understood but also, and perhaps equally, in the preservation and enhancement of the environment and the quality of our life. Understanding this, the government has introduced a number of policies and programs, some of which have been described to the House, mostly, I must confess, by supporters on this side. The details given indicate quite clearly that the regrets expressed by the hon. member who moved the motion are really without any adequate foundation.

I would point out that we in the government look at science and technology or research under three headings. One is the support of science or the support of research essential in the pursuit of science, in its broader sense meaning knowledge. In this respect the government does make a significant contribution to advancing the frontiers of knowledge in this country, principally through the instrumentality of universities, and both to create this effort and to sustain it there are three councils: the National Research Council, the Medical Research Council, and the Canada Council, all three of which dispense annually substantial sums of money in support of research almost entirely in the universities.

The purpose of this research is two-fold. First, it is recognized that higher education in order to be fresh and good must provide a field for its teachers to advance continually their own state of knowledge in order better to be able to pass it on to their students, and second, the general advancement of knowledge, of research outside the straight teaching function. Here is a field in which the three guiding councils I have mentioned have interested themselves. They have sums, voted by parliament, made available to them annually, and these are distributed among the classical disciplines according to the judgments made as to appropriateness in size and destination by peer groups, that is, members of the scientific community who themselves are knowledgeable in the particular field.

This year, as a consequence of the general policies of restraint which have been visited on and by the government, the increases over last year of funds available to these three councils have been very modest indeed. They have been less than the increase in inflation this year over last. As a consequence, there has to be a restraining of effort and ambitions, as indeed is the case in most other sectors of the economy, and perhaps research to devise ways of accomplishing more for less in the way of resources.

I think that most of us would agree that periodically such an exercise is both intellectually and economically a healthy one. I suggest, however, that it cannot be maintained indefinitely or it will have the result of running down what up to the present has been a first class product, a first class effort in Canada, which is internationally acknowledged.

This then is the year of restraint and, as I think a good number of hon. members are aware, this has caused a great deal of heart searching, and indeed in many cases considerable difficulty in the academic community. We are aware of this and we sympathize, but it is difficult to achieve a

universal policy of restraint visited with fairness on all the citizenry of Canada without anyone having in any way to suffer.

It would be my hope that the kind of severe restrictions under which we are labouring this year will not be continued indefinitely. Indeed I am sure it would be harmful if they were. However, there is one thing I should like to say. I have said that the purpose of this research is to enhance the teaching in institutions of higher learning. We are not too sure how many of what particular kinds of training will be needed in the future in Canada.

It will be an endeavour of the government during the course of the current year to establish a study looking into the future to try to see if we can find out with more certainty what will be the kinds of university training, what will be the kinds of university produced skills which are most likely to be in demand in Canada in the next ten to 15 years. If we can do this, then we will be able to arrive at a rather more intelligent guidance for our young people either entering university or contemplating, following a general arts or science course, specializing in post-graduate work, to provide them with a little more in the way of guidance than we have been able to do in the past. This would avoid the situation which we seem to run into periodically of facing shortages of engineers, of doctors in particular lines, or of physicists, and then rushing to find them abroad or to take half-trained people to do the jobs, whereas if we had looked ahead more intelligently the shortages could have been anticipated, planned for, and met. Equally, we hope we will not be in the position of having surpluses of perhaps narrowly trained men or women coming out of universities into what would be an over-crowded avocation or profession.

● (2120)

Unfortunately, however, I do not expect that we can be very successful in much less than a year in producing such a forecast for the future. I have invited a number of people in the academic world to participate in this, and hopefully the results will not only be useful but indeed important in getting the kind of resources put into, through these granting councils, the universities, to match the resources needed for the particular job of training, which we can contemplate with a little more certainty than we have been able to do in the past.

In addition to those policies and programs in support of research we have a number of policies and programs for the application of research, science, and technology to the solution of non scientific problems or general problems. Rather than constituting an end or aim in itself, science and technology are tools which, if they are useful and productive, can and should be used.

I see it as one of the tasks of the ministry, about which there has been some complaint, to ensure that in attacking the problems which the various departments of the federal government face that scientific tools are available for use by them if they can be effectively and efficiently utilized in the solution of these problems. In some cases this is so; in other cases it is not. However, as one hon. member pointed out, there has been much discovered and much new knowledge acquired at an ever accelerating pace. One of the tasks of the ministry is to see that this new knowledge is available to other departments of the Government of Canada in the solution of their problems.

Equally, it would be the choice of the particular department, which has problems to solve and missions to accomplish, to decide the extent to which science and technology are and can be useful, and can and should be used. I do not think it would serve any useful purpose were the super ministry, of which there has been some mention, to direct other departments of government, such as the Department of Energy, Mines and Resources, to lay down a prescription for it or to point out that it is not employing such science, that it is not making enough use of technology, and that more of its resources, for the sake of some principle, should be going into science and technology. More should be going into science and technology if it is useful in accomplishing its main mission. If science and technology are not or cannot be of assistance, there is no sense providing scientists and technologists merely to satisfy some formula or number.

Increasingly it will be the role of the Ministry of Science and Technology to see that newly acquired knowledge is available, that these departments of government have access to this new knowledge in the search for the accomplishment of the most effective way of achieving their particular departmental missions.

In addition to helping out in the application of science and technology for the solution of problems, particularly social problems, in the federal government, I think perhaps the government, particularly my ministry, has a duty and a responsibility to endeavour to see that the same kind of assistance is given to the manufacturing industry.

If I might just be permitted a minute, in Canada we have a rather unique situation with respect to industry in that we have greater, easier, and cheaper access to the largest and most prolific source of science and technology in the world. It is greater than any other country in either the northern or southern hemisphere. The source is the United States, and its neighbour, Canada, enjoys a favourable relationship which no other country enjoys. In some ways we have been fortunate—in many ways in economic terms—in having been granted this ready, easy, and cheap access to technology. It has meant that Canada, unlike a number of other countries in the world, has not had to develop its own science and technology. We have been able to get it easily and cheaply, and consequently we have not engaged in the harder, longer, and more expensive process of developing it for ourselves.

While this has meant that in order to progress economically the cost to us may well have been less, we are vulnerable to the possibility that for one reason or another this source might dry up, and we would then be unprotected and lacking in scientific and technology generating self-sufficiency. Perhaps I should say that this, however, has meant that the investment by Canadian industry in research and development has, for economic reasons, been lower and less than in most other comparably industrialized countries. As I say, this has been cheaper, but it has made us more vulnerable. Recognizing this, the government has instituted a number of programs, mostly in the Department of Industry, Trade and Commerce, designed to reduce this vulnerability and to get a greater level of

inherent, indigenous research and development capacity in Canadian industry itself.

With respect to some firms these programs have been very successful indeed, but so far the average has been very low. As a consequence of failure to increase our own capability and to reduce our vulnerability, we as a government are now currently in the process of reviewing the various incentive programs designed to enhance our industrial research and development capability. I hope that during the course of this year a number of these studies will come to fruition, and perhaps we will be able to devise more attractive and more successful incentive programs than those which we have now. These programs and policies have been working to some degree, but not really to the degree that would achieve the kind of progress that seems to be desirable if indeed we want a reasonable measure of invulnerability.

● (2130)

In order to enhance our industrial capability in research and development we have been placing emphasis on what is known as the "make or buy" policy, under which all new research and development projects will be contracted out to the manufacturing industry in Canada in preference to being performed in government laboratories. The test is whether it can be performed outside. It is only in the event it cannot be done in the Canadian manufacturing industry that it becomes a project in a government laboratory, if such capability exists. This means that during this period the laboratory capabilities of the federal government will not be growing at the rate and in the rather spectacular way they did during the early and mid sixties. We are trying to turn new research and development in Canada from the government to the manufacturing industries. If industry does not have the capability or cannot create it, the universities are a second choice. It is only as a laboratory or a locus of last resort that a particular program is carried out within government laboratory apparatus.

Even though it is fairly recent, the "make or buy" policy has been achieving a modest but continuous growth. So far it has been limited to new research projects and new research money. In the last couple of years there have not been large sums of new money for research and development so the developments have not been very significant. It is a step in the right direction, however. Hopefully, when the time comes that useful projects can be found and rather large quantities of money can be made available, then more significant emphasis can be given to the "make or buy" program and significant results quickly achieved. By and large the capacity seems to exist in the Canadian manufacturing industry; what is required is an incentive to get it into operation.

I repeat, Mr. Speaker, I am delighted that this debate has been set afoot by the hon. member for Halton-Wentworth. I think he will agree that considerable efforts are being made by the government in the two areas I have mentioned, even in a year of restraint. Perhaps there is not as much progress as he would like nor is there as much as you and I would like, Mr. Speaker. Given the fact that it is a year of restraint, however, we have to limit our efforts to shifting resources rather than finding new ones. We will continue the endeavours to find better and more effective ways of deploying our available resources in science and technology, but perhaps we will have to wait for a period of more rapid growth in order to take full advantage of what I hope will be new and rather more attractive incentives.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, would the hon. minister permit a question?

Mr. Deputy Speaker: Order, please. This requires acceptance by the minister.

Mr. Knowles (Winnipeg North Centre): I am sure he will accept one.

Mr. Drury: Yes, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, my question is prompted by something the minister said in the early part of his speech. Does he know when the government will table a document entitled "Post Doctorals in Canada in the Mid-Seventies"? The report is said to have been commissioned by the Secretary of State (Mr. Faulkner) and brings out how many Ph.D.s there are in Canada, how many do not have jobs, what they are doing, and so on. Can the minister tell the House when that report will be tabled?

Mr. Drury: No, Mr. Speaker. I think I know the report to which the hon. gentleman refers. If tabling merely meant taking what we have and putting it on the Table that would be one thing; this is in a sense an historical document—Ph.D.s 1970—

Mr. Knowles (Winnipeg North Centre): "In the Mid-Seventies."

Mr. Drury: The only one I know is dated 1973 and gives the state of affairs in 1973. We thought of tabling this and indeed publishing it, but it calls for translation, which is an expensive business as the hon. gentleman knows. If he wishes to peruse this particular document I would be delighted to let him see it. I am not sure it would be worth the money to table it in the House, however.

Mr. Knowles (Winnipeg North Centre): You are not just sitting on it?

Mr. Drury: No.

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, in closing this debate on the motion criticizing the government for its lack of drive in the field of science and technology I think my remarks will dovetail very closely with those just completed by the minister.

This is not a new subject for me. I recall some 18 years ago the same questions coming to the minds of the government led by the right hon. member for Prince Albert (Mr. Diefenbaker). I recall that the issue was basically the same as it is now, that our lack of "go ahead" in the field of science and technology comes down to one word—finance.

When you study what various industrial nations have spent in the field of basic scientific research you will find that Canada ranks as high as any other industrial nation in the world, if you just measure the contribution of govern-

ment. The minister implied that tonight in his remarks. When you move on and examine the contribution of the private sector in the field of science and technology, and particularly the application of it, you will find that Canada is lagging seriously. The reason for this lag is obvious; we are a branch plant economy and it is easier to borrow or earn this technology from the parent companies of the branch plants in Canada. Having said all this and heard the minister, I say there is no excuse for this situation to continue indefinitely.

● (2140)

Let me repeat in a general way what has happened under the last two or three governments. In the Diefenbaker government we felt we should encourage private enterprise to move more vigorously into the field of applied technology based on university and government research. We thought we could do it with a system of tax incentives, whereby business could write off 150 per cent of money spent on research. I have looked at the figures and noted what has happened since those days. Our measures had some effect, although small. As the minister said, as companies in Canada could obtain cheaply research information from head offices, branches of multinational corporations operating in Canada did not have much incentive to put money into research in Canada.

I recall this question being debated several times in the early years of the Pearson government. they thought the answer was the establishment of a new department. They took the political science approach and put civil servants in charge of science and technology. They thought that putting a minister at the head of the department would lead us to the promised land and result in greater scientific and technological development. Tonight we heard the minister in charge of that department confess things have moved pretty slowly.

We are examining what is happening in universities and will study how we can improve the relationship between the demand factor for certain disciplines and the supply factor. This is good. Nobody quarrels with this. As well, we could consider what is happening in applied research in Canada. There is no question about this being necessary. I do not think anybody will quarrel with me when I say that Canadian scientists, whether at the university level or working at the government level in Canada, are as good as those of any nation. Our track record with regard to basic science is as good as that of any industrial nation. Our weakness, as the minister suggested, is that we have failed to apply basic science to our problems, the excuse being that we live in a branch plant economy.

This evening I shall not address my remarks to the minister, whom I hold innocent in this matter. I shall talk about the basic problem confronting us, and I return once more to the matter of financing. Every time there is a cry of alarm in this country, every time the nitwits in the Department of Finance say we are moving too quickly, that we need restraint and restriction, the first item on which we cut spending is research. This happens every time. Why? First scientists have no strong political voice to speak for them. Second, they are most vulnerable.

When I became a minister in 1957, I found that the maximum salary for scientists, some of whom had Ph.D.s and had served the government for 20 years, was in the region of $8,700. At the same time the administrative people, who are always coming to Treasury Board and asking for more, were earning salaries up to the $20,000 level. Mr. Speaker, I sat on that Treasury Board and resisted every effort to increase the salaries of civil servants in Ottawa until the salaries of scientists had been raised. That effort on my part met with some success; at least scientists in the government service today are better paid.

When I was a minister—I suspect it is the same today—I recall seeing all this scientific information for which we had spent a great deal of money piling up and being stored in our libraries. We stored more knowledge than we needed for the next 50 years, knowledge which could apply to almost every field. But there was no awareness of the existence of that knowledge, and it was not put into the hands of the people who needed it. I suppose the classic example is knowledge concerning agriculture, which was stored in the Neatby building. That knowledge was not put into the hands of the public. The reason, again, was the myth that education was a matter for the provinces, and that therefore we must not do anything to give this knowledge, made available to government by the government service and universities, to the people who needed it. That is still going on today.

There is still no federal government service to disseminate or carry abroad knowledge gathered by the National Research Council, the Medical Council, by the Department of Energy, Mines and Resources, formerly known as mines and technical surveys, by researchers working in the Department of Agriculture, and so on.

Let me also mention forestry. For 20 years our forestry scientists have been advocating the use of knowledge they had gathered for the last 100 years, yet I do not know of a single provincial government using it. Knowledge concerning one of our greatest renewable resources is not being utilized due to the myth that because certain of these services are considered as educational services, the federal government should not touch them. I have spoken on this subject several times in the House in the last ten or 12 years but have seen no change in attitude.

I now come to the present Trudeau administration. I am aware of the government's tax changes, and of write-offs allowed for research. The government allows 150 per cent; yet, I suspect that, as in the days of the Diefenbaker government, that measure has not had much effect. I am thinking of what can be done. I do not say I have all the answers. I suspect that as our capital needs in the next 25 years could amount to several hundreds of millions of dollars, we shall need to invest tremendously in technology and science, so that we may take advantage of technological advances. Technology will be the key. Therefore we are not thinking merely in terms of educating farmers or men in the forestry field.

In future we shall spend huge sums of capital in Canada. Our very survival will be at stake unless we have reasonable access to adequate supplies of energy. We must do all we can to use our basic knowledge and reduce development costs.

Several members of the House have spoken of the farce being played out in areas such as the development of our tar sands. Here we have the government of Ontario, the

government of Alberta, and the federal government joining with business in a $2 billion venture to build one Syncrude plant. We are to use our resources to produce oil from the oil sands which will cost us $11 a barrel and up. I suggest that we know that there are two or three other techniques available. One has been available for 20 years, but not mentioned. In this connection I suggest that we must provide incentives. I think we must attack on two fronts. First, we must let the people of Canada know why no government has ever mentioned the other techniques available for the development of the oil sands. I know what they are, and I know why governments are afraid of the technique I have in mind. The reason, of course, has to do with the myth to which I previously referred. That myth must be exposed for the sham it is.

The second approach must be in the field of finance. As the House knows, I put my ideas forward in 1974 to the then minister of finance, and to some other ministers in 1975. And I am pleased to note what is happening.

The headline to an article appearing in the *Globe and Mail* of May 13, 1976, reads, "175% Recovery Share in Oilfields Proposed Before Big Tax Take." I am interested in the coming announcement. According to the newspaper story, the government next week will make an announcement concerning northern and off-shore oil and gas fields. The government is to give the companies in that field a tax break. It will pledge that, to compensate for risk, the returns from operations will not be milked until the companies have got all their capital back. The government will allow 100 per cent of their capital return, plus 75 per cent to pay for the interest and other costs which they have. After that, the government is really going to hit them.

● (2150)

I am pleased that the government is going to make that announcement because it gets at the basic problem of these capital intensive enterprises. Nearly all these new developments demanding this new science and technology are capital intensive. This gets at the basic cost. Seventy-five per cent of the cost of a modern capital intensive industry goes to the payment of interest. We can no longer avoid that if we continue with out of date techniques of financing.

In the proposals I have made in the past two or three years, one of them, the second choice actually, was this type of proposal. I praised the British government, socialist as it is, for having pioneered this technique in financing.

An hon. Member: Which government?

Mr. Hamilton (Qu'Appelle-Moose Mountain): The government of the United Kingdom. It pioneered this type of approach and it looks like our Canadian government is going to apply it. I suggest that in the field of science and technology, if you are going to get small or large Canadian companies to take up the slack which exists in technology, it will have to be by this same type of approach. The government will have to consider that the 150 per cent write-off is not enough. Even the accelerated write-off is not enough.

We will have to go into joint enterprise with these companies whereby we take a part of the risk for them, 10 or 15 per cent, and see that the knowledge that we have from our government and university circles is put into practical application. The reward that they get will be market return and interest return before we apply any tax to them. However, we, the people, will own shares in those companies and will share in the profits that they make.

I make that point because in my work I have quite a bit to do with newly developing countries around the world. I know the desperate hunger there is for new technology. I know that we in Canada have quite a bit of it, and how saleable it is. However, in many cases our companies are indoctrinated with the concept that you must only move very cautiously and safely, and that if they take the plunge in selling this technology to a foreign country they will be left exposed in case it comes up a bummer.

I suggest that the joint enterprise concept should be extended into foreign countries, particularly the newly developing countries where you take a risk. I can give examples of what I am talking about.

I hope the House will not laugh at this, but recently there was a discovery made by a group of farmers. You take biomass in the form of animal waste and, with a simple physical and chemical action, change it into pure food suitable for recycling through animals. If I talk in dollars and cents, what I am talking about becomes more apparent.

If you take a ton of animal waste and use it for fertilizing the land, it is probably worth $2.50 or $3 a ton. If you take that animal waste, remove the methane, that animal waste is probably worth about $30 a ton. If you take that animal waste and put it into pure food suitable for recycling through animals, it is worth $140 a ton. There is the technology discovered by accident by a group of farmers. However, when you go to the Department of Industry, Trade and Commerce and suggest that they join with a Canadian company, put that technology to work here, and then take it around the world, they say that under their program they are not allowed to do that. They can only support technology that starts and ends in Canada.

The minister should be supported in his statements that we have to take a new look at the programs and new incentives that we have. Thereby, with regard to this motion we are debating today, for nearly two decades we have talked about the necessity of improving our work on science and technology that we are doing on behalf of the Canadian people. Always it is talk. It is time that we took the method into our hands, and went forward and did something in the applied field.

There is no need talking to the House about this being a year of restraint, because the minute you stop scientific development you are carrying out an inflationary policy. The only way you can keep inflation down is to get at your productivity, and 80 to 90 percent of productivity comes from technology. If you are going to keep inflation down, you do not do that by stopping the development of technology in Canada.

I wish the minister would carry this message to his colleagues in cabinet, particularly to the President of the Treasury Board (Mr. Chrétien). Cut out this nonsense by these ministers who simply say to reduce everything 20 per cent, without any awareness of the fact that by reducing the money spent on science and technology they are adding

an inflationary force to the country's economy. That is the basic point I wanted to make.

It is not the minister who should be attacked. It should be Treasury Board which works on a pure percentage basis. If the order comes through from the nitwits in Finance that you need to have restraint, the first target they aim at is research into all forms of science and technology. These people have borne the brunt of cuts and slashes every time in the past 15 years.

This motion is well put and timely. It brings to the attention of the Canadian people this phony effort to introduce a program to fight inflation called the Anti-Inflation Board, which does not even begin to get at the basic causes of inflation. It pretends that it does, and uses that excuse to cut down on research into basic science and technology. That type of attitude on the part of Treasury Board and the government is not serving the country in fighting inflation. In fact it adds to it. I strongly support this motion that the government should really take a hard look at itself, and not use science and technology as the guinea pig in carrying out any form of pretending that they are cutting expenses.

Mr. Deputy Speaker: It being ten o'clock it is my duty to inform the House that, pursuant to Section 11 of Standing Order 58, proceedings on the motion of the hon. member for Halton-Wentworth (Mr. Kempling) have expired.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

PENSIONS—DENIAL OF PENSION INCREASES TO RETIRED MEMBERS OF ARMED FORCES AND RCMP UNTIL AGE 60—GOVERNMENT ACTION TO RECTIFY

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, just before three o'clock this afternoon, during the question period, I put a question to the President of the Treasury Board (Mr. Chrétien) regarding one aspect of the operations that take place under the Supplementary Retirements Benefits Act.

Usually, as private members, when we put down a question for the late show, we like to have the minister here. I hope I am not expressing anything that the minister will take as a slight when I say I am just as happy to have the parliamentary secretary tonight because, in all honesty, I think he has been connected with this question for a very much longer period. His representation in this House from time to time, in and out, in and out, has been on behalf of a constituency in which a great many public servants reside. He has therefore been obliged to pay some attention to the pensions of public servants.

● (2200)

The question I asked this afternoon had to do with the fact that the escalation of pensions which are paid by the government does not normally begin until the age of 60. I say "normally", because that is not an absolute rule; there are cases of public servants and others whose pensions are escalated prior to age 60, particularly if they are 55 and have put in 30 years of service, or met certain other conditions. But there is the particular case of retired RCMP personnel and retired Canadian armed forces personnel; there are other cases but these are the two main bodies in connection with which this question arises.

Because of their work, the personnel I have mentioned are permitted to retire early. In fact although I say they are permitted, they are, in many cases, forced to retire early. So their pensions begin at an early age. There are some instances of pensions actually beginning in the late forties, though I suppose the more common time for them to begin is in the fifties. Yet despite the fact that most persons who receive government pensions get the escalation once a year in accordance with the rise in the consumer price index, the individuals about whom I am speaking are obliged to wait until they are 60 years of age.

When this measure was first brought in the escalation amounted to only 2 per cent a year and did not mean very much to the persons affected. It was true, also, that at first no civil servants could get the escalation under the age of 60 and it therefore seemed reasonable to deny it to anyone else under 60. But now, when some persons are getting it under the age of 60 and when indexing is in the order of 8, 10 or 11 per cent, the question is of greater importance.

The parliamentary secretary will agree that we had a good discussion on this subject, that we were closest to coming to grips with it during the time when the Special Joint Committee on Employee-Employer Relations in the Public Service dealt with Bill C-52. That was last December. We had before us such persons as Mr. D. N. Nadon, President of the Canadian Forces Long Service Pensioners Association, and Mr. Fred Whitehouse, National Secretary of the Federal Superannuates National Association. Both these men and those associated with them pressed us on this point, and the hon. gentleman knows that somehow or other the notion got around that the government was going to yield, that there was going to be some change in the formula generally known as the 85 rule—that is not a good name for it, incidentally, because not every combination which adds up to 85 does the trick. However, when the crunch came we did not get it, and the people these organizations represent were disappointed.

That was the reason for my question this afternoon to the President of Treasury Board. I reminded him of what happened in December and I dared to hope that maybe by now the matter was being reconsidered. But the answer was no. When I suggested that it be made effective in January, at the time the escalation takes place, at least I had to give him credit for a straightforward answer. He said "no". I found this extremely disappointing, especially after the recognition I thought we had at the committee last December that there was a real case.

I am sure my friend, the parliamentary secretary personally supports the case, but since his minister this afternoon said no he cannot stand up tonight and say yes. However, I

hope he will tell me, as one who is close to the throne that he will go to bat and try to persuade his minister that this issue we thought we had resolved last December does need to be considered again, and that action should be taken on it just as soon as possible.

Mr. Lloyd Francis (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, may I thank the hon. member who has just spoken for his complimentary remarks in my regard. I must tell him that I do not think his compliments are going to change in any way what I have to say.

As the hon. member knows, pension increases are currently payable to retired forces members when they reach age 60 if they have fewer than 26 years pensionable service. I think 60 and 25 was the origin of the 85 rule.

Mr. Knowles (Winnipeg North Centre): Fifty-five and 30.

Mr. Francis: Various combination will arrive at it. They start age 59 if they have 26 years service, at age 58 with 27 years service, and so on to age 55 for a member with 30 or more years service.

This formula was determined after consultation with representatives of the Canadian forces and the RCMP, bearing in mind the amendments made in 1971 to the Public Service Superannuation Act which permitted public servants to retire on full accrued pensions at age 55 if they had over 30 years service. Such pensions were subject to yearly increases under the Supplementary Retirement Benefits Act. In order to correct this anomaly between Public Service employees and members of other groups, the formula mentioned above was established with retroactive effect to January 1, 1973. However, it was felt that any further lowering of the age at which retired members of the Canadian forces or the RCMP could receive pension increases would have created a different anomaly in comparison with pensions under the Public Service Superannuation Act.

Under the forces pension plan, and others, individuals can retire at a much earlier age than public servants and receive their full pension. Therefore it was considered equitable to begin payment of pension increases to retired forces members at the same age at which long service public servants can receive both their full pension and the escalation.

Further, in looking at what the needs of retired members of the forces, public service and others may be, it seemed reasonable to expect that those who retire at younger ages are more likely to be able to find alternative employment. In such instances, the need for earlier escalation of pensions did not seem so acute as for those who have reached age 60, or over age 55 with long service, and who are more likely to have retired from active working life.

As my hon. friend mentioned, during the consideration of the Statute Law (Superannuation) Amendment Act by the Standing Committee of the House of Commons and the Senate on Employer-Employee Relations in the Public Service, the suggestion was made for a change in the escalation formula for members of the armed forces and the RCMP and these were considered. However, the government could not see its way clear at that time or indeed, at present, to introduce such an amendment.

I can assure the hon. member that, in the on-going review of pension legislation, consideration will continue to be given to this matter although at present the government has no plans to introduce such an amendment for January of next year.

The Acting Speaker (Mr. Turner): Order, please. The hon. parliamentary secretary's time has expired.

MANPOWER—MEASURES TO PROVIDE EMPLOYMENT FOR STUDENTS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I debate the issue tonight of student unemployment because of the precarious position with which we will be faced in Canada this summer as students graduate or return from universities to face a summer of almost record unemployment in Canadian history.

In my question to the minister yesterday I indicated that the total thrust of the summer student employment program would produce only some 12,000 jobs from 17 programs, and this will be only about 1.2 per cent of those seeking work. With a student population of some one million this will only be an insignificant dent in the need.

I recognize that, as the minister said in reply, I chose to refer only to programs of direct job creation. Indeed that is what we are looking for, direct job creation. He also said that the main effort of the government, and the one offering the greatest degree of success, is the increased co-operation of the private sector in placing students this summer. However, I fail to understand what this will achieve when we have an unemployment rate of 7.4 per cent.

● (2210)

As much as I want to be fair, I fail to see how the government will create 109,000 unpaid activities for students and summer jobs for an anticipated 200,000 students as a result of the national "Hire a Student" campaign. All I can say is that the government can come out with fancy names for programs which are varied and many, but cannot produce jobs.

The minister also in his reply evaded my request that he make a statement on motions to declare the programs which would realistically combat youth unemployment. He answered to the effect that all members were aware of the many and varied programs which were available. Well, I am aware of each and every program that was announced. I will list some of them. They include the Summer '76 program, the Information and Evaluation Program, the Summer Puppet Program, health activities, student community services, cadet training, community assistance, reserve training, parks awareness, Parks Canada, native employment, and many other programs to stimulate employment as the minister indicated.

I know about these programs, Mr. Speaker. I must know about them because of the embarrassing rate of unemployment in my district of Newfoundland. I also know that I will be getting hundreds of letters from students and parents of students wondering why there are no jobs available. The parents will be asking how their sons are to go

back to university, or indeed enter university, and the students will be asking the same thing. I will be receiving letters from high school graduates who will want a job so that they can earn enough money to enter university because some politician told him or her on their graduation about the wonderful world of opportunity we have in Canada.

I will also be receiving letters from university graduates who were told the value of a university degree. They will not be able to find that golden horizon they have been told about. I also know what the facts are. The facts are that for the 14 to 24 age group the unemployment rate for March, 1976, was 14.8 per cent for males, 11.5 per cent for females, an average of some 13 per cent. As of this date 348,000 in this age group are unemployed. This constitutes 45.8 per cent of the entire unemployed population of Canada and yet this age group only accounts for 26.4 per cent of the population.

Based on Statistics Canada figures, student unemployment peaks in June and gradually dwindles by August. In 1975 the labour force figures were 839,000 in June, 1,000,043 in July, and 984,000 in August. So, even if the minister's figures by any stretch of the imagination are correct, this will prove to be a critical summer for student employment. Yet the government has cancelled the OFY program, and the LIP program has been cut back. While LIP does not sponsor students directly it has been a source of student employment in the past.

I know that I will get the answer that OFY was cancelled because of restraints, but this is hypocritical because students will have to make excessive demands on student loan programs or there will be an additional burden on the over-burdened Unemployment Insurance Commission fund, increased social welfare payments, let alone the social spill-over.

We need only refer to the report of the committee on youth which, when referring to the high level of youth unemployment, said this:

> The present tragedy is more than personal; it is societal in scope. Canadian society cannot cease to generate a broad range of options for its youth in the employment field.

I hope that the government realizes what a burdensome problem youth unemployment will be this summer, but it will not be overcome by expensive and meaningless ads that shout slogans such as "Have a Young Summer", or asking business and industry to "Hire a Student," when each day, almost repeatedly, there are more and more lay-offs in business and industry.

The government must initiate a massive youth employment program immediately. I do not see how it can avoid doing so. I hope that the reply I receive tonight will offer some hope of plans by the government to alleviate serious student unemployment which threatens our youth in Canada.

Mr. Jim Fleming (Parliamentary Secretary to Minister of Communications): Mr. Speaker, in the summer of 1976 an estimated 85 per cent of an anticipated student labour force of 1.3 million will find work in the private sector. Therefore to communicate the student hiring philosophy to employers across Canada, the Department of Manpower and Immigration is presently engaged in an intensive hire-a-student advertising campaign. They have been joined in this effort by the five major banks in Canada which will display their promotional material in some 6,000 branch offices across Canada. The message urges employers to hire students either for the entire summer or on a casual basis. This program is increased in size over previous years, but with no increase in costs. This has been accomplished by repeating last year's program, thus allowing savings to be channeled into a media campaign that will permit a wider distribution of publicity material.

In addition, the minister has personally written to all his provincial counterparts to request that every effort be made, despite present fiscal restraints, to create as many summer employment opportunities as possible. It is expected that provincial governments across Canada will spend approximately $48 million and create 60,000 jobs.

The federal effort will be in two areas. The first is the student summer employment and activities program in which eight federal departments operate 17 individual programs and create opportunities for an additional 109,000 to participate in unpaid activities, and includes some 300 Canada Manpower Centres for students which will operate across Canada in 1976, and it is anticipated that some 200,000 students will be placed in employment through these centres. The second is direct departmental hiring in which federal departments hire large numbers of students to supplement regular staff on holidays or increase regular departmental activities during the summer period. However, as these funds are within regular resources available to departments, it is difficult to calculate the total expenditures. Estimates provided by departments in September, 1975, for 1976 indicated that some 10,000 jobs would be created, costing individual departments approximately $17 million.

MULTICULTURALISM—PROPOSED APPOINTMENT OF MINISTER

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, I would like to raise a question tonight in the adjournment debate with respect to a matter which I raised some time ago in the question period with the Prime Minister (Mr. Trudeau) relating to the re-appointment of a minister responsible for multiculturalism. The fact of the matter is that the Prime Minister at that time indicated to me in a rather extended reply that he and the government had no interest in the appointment of a minister for this portfolio.

We all know that prior to the last election this portfolio was occupied by the hon. member for Parkdale (Mr. Haidasz). He was in fact given a great deal of profile with respect to the interest of the government regarding the third force in this country. I think it is interesting to remind ourselves in the House that fully one third of our population in Canada is neither of French nor English extraction. I suggest it represents a very important force in our country, one that requires reasonable representation within cabinet. I am sorry to say that the condideration that this group has so far received has been a consistent and continuing downgrading of multicultural concerns in our country.

● (2220)

In the brief time I have at my disposal I should like to refer to what I think is a very appropriate and telling editoral from the Toronto *Globe and Mail*. I think this editorial really puts the finger on the matter of the multicultural program—or the lack of it—of the government. This editorial appeared on December 1, 1975, and in part it stated:

> The multicultural program which Prime Minister Pierre Trudeau draped noisily upon his government's shoulders in 1971, was—to pick the best words for it—intended solely to persuade those Canadians of other than French and English mother tongues that they would not be neglected while Ottawa pushed ahead with official biculturalism and bilingualism. In short, a bribe—to buy off opponents of bi-and-bi—and a bribe of rather cynical dimensions.
>
> The game plan was to pick a Polish-Canadian from the Liberal caucus, Dr. Stanley Haidasz, give him a cabinet title of Minister of State for Multiculturalism and let him have millions of dollars to hand out for ethnic poetry readings and choir singing and costumed dances and similar forms of ancestral consciousness-raising and—in particular—government advertising in the ethnic press.
>
> All that, however, is the past. There is a new game plan (multiculturalism lost its Minister of State some time ago and shrank into a branch office of the Minister of Labour). We hear now from Labour Minister John Munro that the "folkloric aspects" of multiculturalism are going to be de-emphasized and instead there is going to be something called "group understanding" and "combatting discrimination"—all, mind you, at no extra cost.
>
> Meaning?
>
> We frankly have no idea and we doubt if anyone in the country does. Mr. Munro gives no specifics, no details, not even hints—except to coyly reveal that it will include government measures that are, or should be, already in place, such as Justice Department action against discrimination. So does National Health and Welfare next announce that it is changing its policies to support motherhood?
>
> The government cannot be honest enough to say that what it is trying to do is pare its spending. (And, indeed, multiculturalism's budget has shrunk to about half of what it had in the halycon Haidasz days.) But we have our doubts about whether the government will do anything to save money and we suspect that the sum product of Mr. Munro's new policy will be to insult ethnic minorities with its emptiness.

As I pointed out, about one third of our population is of neither French nor English extraction, but if we compare the amount of money which is expended with respect to that portion we will see that there is in excess of $350 million for the biculturalism and bilingualism program as opposed to something like $7 million for the multiculturalism program.

Quite frankly, one is not surprised at the lack of representation of people from other than French and English extraction on the government side. There is very small representation from the third force of this country, and I suggest that the reason is that the government has no interest, except at election time, in giving anything but lip service to multiculturalism. It is an insult to that third of our population. The fact of the matter is that people in our society, such as my colleagues, the hon. member for Edmonton Centre (Mr. Paproski), the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall), and other people in our party, are members of this third portion of our country. We all try to speak out and to encourage the government to do something tangible to encourage the ethnic traditions we and our forefathers have brought to this country, but I am afraid it all falls on deaf ears.

It was a specious argument the Prime Minister gave to me when he answered my question and tried to relate multiculturalism to the fact that he did not want to create other portfolios and expand the cabinet to unreasonable proportions. The fact is, that we had a portfolio of multiculturalism. The government is only playing a political game. I can assure the parliamentary secretary who is here to answer on behalf of the minister that the one third of the population which falls in this category will not be fooled in the next election. They will look back at the record of the government, and I can assure the hon. parliamentary secretary that the government may expect that one third of Canada's population will make their feelings known.

[*Translation*]

Mr. Fernand E. Leblanc (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I would like to congratulate the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) for his recent appointment by his new leader. I am convinced that this is an acknowledgment of his constant and excellent work.

The question raised tonight has already been answered several times before. In particular, on November 26, 1975, as show on page 9457 of the French *Hansard*, the Prime Minister indicated his difficulties in organizing his cabinet so as not to exceed the number required to serve the Canadian people well. He mentioned that there were many areas where the appointment of a minister would be useful. Moreover, he said the following:

> ... the government does not intend to lend any less emphasis to its strong belief in the policy on multiculturalism.

In fact, the last budget shows this since no cuts were made in this program. To administer the program, the minister responsible has a vast experience within the cabinet, of which he has been a member since 1968, after having been parliamentary secretary, and, like myself, all Canadians recognize his devotion and his great involvement in multiculturalism.

Like the President of the Treasury Board, I am convinced that the opposition should make up its mind either to accept willingly budgetary increases or to stop to continually urge the government to increase all its budgetary items.

I would also like to mention that the Minister of Labour has not announced any fundamental change in the multiculturalism program. In fact, he announced his intention to evaluate the result of this program, which is only five years old, and perhaps to reallocate funds so as to insist on certain aspects which seem to have been neglected.

However, Mr. Speaker, you can be assured that I would be proud and happy to accept the position recommended by my hon. friend if the Prime Minister judged it appropriate and if the budget allowed it.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow morning at 11 o'clock.

Motion agreed to and the House adjourned at 10:30 p.m.

HOUSE OF COMMONS

Friday, May 14, 1976

The House met at 11 a.m.

ROUTINE PROCEEDINGS

[*English*]

PUBLIC BUILDINGS

SUGGESTION INSTALLATION OF AUTOMATIC ELEVATORS IN CONFEDERATION BUILDING BE DELAYED PENDING REPORT—MOTION UNDER S.O. 43

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I rise under the provisions of Standing Order 43 to raise a matter of urgent and pressing necessity. During a time when the government is preaching restraint and austerity, it has come to my attention that the Department of Public Works proposes to spend $875,000 for new automatic elevators in the Confederation building on Parliament Hill.

In light of current economic conditions and the need to spend in more relevant areas, such as medical research, coupled with the fact that the fate of the elevator operators is uncertain, I would like to move, seconded by the hon. member for Dauphin (Mr. Ritchie):

That this House instructs the Speaker of the House of Commons, the Minister of Public Works and the President of the Treasury Board to put a halt to any installation of automatic elevators in the Confederation building until they prepare a report for this House determining the following, whether such an expenditure is necessary at this time, what savings will result, and what duties will be assigned to present elevator operators; furthermore, that no commitment be made to have operators on the automatic elevators.

Mr. Speaker: Order, please. Such a motion pursuant to Standing Order 43 can only be presented for debate with the unanimous consent of the House? Is there unanimous consent?

Some hon. Members: No.

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EXTERNAL AFFAIRS

PROPOSED CANADIAN ROLE IN INTRODUCTION OF FOOD STABILIZATION SCHEME ADMINISTERED BY INTERNATIONAL AUTHORITY—MOTION UNDER S.O. 43

Mr. Andy Hogan (Cape Breton-East Richmond): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. There is increasing scientific evidence and much recent disclosure of fear of another shortfall of wheat supplies developing in the year ahead, so that many who can hardly be called alarmists warn us that it is much later than we think and that we are operating on a knife edge on the world's food frontier. Many are now convinced that the shortages which led to such devasting rises in food prices in the early 1970's were not the result of insufficient production capacity but came about because the leading export countries, the United States, Canada and Australia—

Mr. Speaker: Order, please. Standing Order 43 requires a brief description simply of the urgency of the matter. I wonder if the hon. member would stick to that.

Mr. Hogan: My point on the urgency of the matter is that the United States, Canada and Australia were leaning over backwards to avoid high levels of inventories, seeing the existence of surpluses as being an enemy to their own interests. Since there is a danger of repetition of this type of thinking and acting, I move, seconded by the hon. member for Greenwood (Mr. Brewin):

That Canada take an even more important role in the introduction of a food stabilization scheme administered by an international authority.

Mr. Speaker: The motion can only be presented with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

INCOME TAX

SUGGESTION COMPENSATION PAYMENTS FOR ANIMALS SLAUGHTERED NOT BE SUBJECT TO TAX IN YEAR IN WHICH THEY ARE MADE—MOTION UNDER S.O. 43

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, I rise under the provisions of Standing Order 43 on a question of urgent and pressing necessity. In view of the recent eradication program in response to the presence of blue tongue, in view of the fact that compensation paid for the eradication of herds cannot, in many instances, be utilized within the year to re-establish a herd, therefore making the compensation subject to taxation, and in view of the statement of the Minister of Agriculture during miscellaneous estimates on March 24, 1974 that the principle involved in paying compensation is for the purpose of keeping a farmer in business, I move, seconded by the hon. member for Kootenay West (Mr. Brisco):

● (1110)

That the government take immediate action to correct this inequity.

Mr. Speaker: Order, please. Such a motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

AIR TRANSPORT

REQUEST FOR CANCELLATION OF INQUIRY INTO BILINGUAL AIR-TO-GROUND COMMUNICATIONS—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, pursuant to Standing Order 43, I ask for the unanimous consent of the House to present a motion on a matter of pressing and urgent necessity.

In view of the decision by the Minister of Transport to launch a public investigation into the modality and the impact of implementing bilingualism in air-ground communications; considering also that the minister stated he does not intend to reconsider the extension of bilingualism, and that all necessary precautions in the field of safety and technology were taken, and that the selected referee, Mr. Keenan is the very person who has prompted the pilot union to adopt its strategy to fight bilingualism, I move, seconded by the hon. member for Villeneuve (Mr. Caouette):

That the Department of Transport cancel this investigation and order flying personnel associations involved to comply with the laws and regulations or face the alternative of dismissal.

Mr. Speaker: Order, please. The House has heard the hon. member's motion. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There not being unanimous consent, the motion may not be put.

ORAL QUESTION PERIOD

[*English*]

LOTO-CANADA

METHOD BY WHICH PARLIAMENT WILL RATIFY PROPOSAL—DURATION OF SCHEME

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is to the President of the Privy Council both in that capacity and in his capacity as Acting Prime Minister. I should like to ask him a question with respect to the announced intention of the government to establish a national lottery scheme. Could the minister confirm for me that it is in fact the intention of the government to seek parliamentary ratification for this major undertaking through nothing more than a routine supplementary estimate, an estimate which will not even be debated in this House and which, like all this government's spending, will fall under the so-called guillotine for automatic approval before the end of June?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the House leaders and I had some discussion of this matter the other day. It will be recalled that when the President of the Privy Council announced the intention of the government, there was some discussion as to whether it would be possible to dispose of a bill within a reasonable time. It was quite clear from the comments which were made at the time that there was a difference of view amongst the parties as to the wisdom of proceeding in this way. The Leader of the Opposition supported the idea in principle; the NDP opposed it. Therefore, it seemed to me that it would be impossible to get agreement on the kind of procedures which would be necessary to get this bill through within two or three days, which was mentioned during that exchange of views.

I also sounded out the parties on the possibility of getting an agreement amongst the parties on a time limitation under Standing Order 75A, which obviously was not agreed to. I therefore put before the House leaders the possibility of dealing with this matter through a supplementary estimate. Of course, this supplementary estimate would be referred to a standing committee where it could be discussed in detail. Members of the opposition could, if they wished, bring that supplementary estimate before the committee of the whole on an opposition day and cross examine the minister in whatever way they wanted. For example, we are prepared to have a day when the appropriation bill is before the House to have a full debate, so I do not think in any way the procedure which seems to be preferable would interfere with an adequate discussion in the House.

An hon. Member: Malarkey.

Mr. Clark: Mr. Speaker, my colleague is right. It is absolute malarkey and nonsense—

Some hon. Members: Hear, hear!

Mr. Clark: —to suggest that the only way government business will be done in this House is on opposition days. What I want to know from the minister, after cutting through all his verbiage, is whether it is then the position of this government that we in this parliament have no right to debate the proposals and details of this matter in the whole House, and that all that is required in the view of the government is an arbitrary, unilateral action by the government of the kind that most of us thought had gone out with old King John.

Some hon. Members: Hear, hear!

Mr. Sharp: Mr. Speaker, the government has no objection to as long a discussion as the opposition would like to have. There are, I think, ten opposition days of which the Official Opposition could use any number—

An hon. Member: It is your privilege.

Mr. Sharp: —for the purpose of discussing the supplementary estimates that could be brought back into the House with the minister here in front of the whole House

to answer all the questions that are necessary. I do hope, however, that it is not the intention of the Leader of the Opposition to renege on his undertaking to support—

Some hon. Members: Hear, hear!

An hon. Member: We will stack our record against yours any day.

Mr. Clark: Mr. Speaker, if it is the position of the minister that we should take responsibility for introducing government legislation we are prepared to do that, and the people of Canada are prepared to have that done.

Some hon. Members: Hear, hear!

Mr. Clark: I say to the government: why do you not have the courage to bring in a bill on this major matter? Putting aside for the moment the question of the legality or illegality of the procedural course that is being proposed by the government—the procedural course of denying the whole House the right to debate this matter—

Some hon. Members: Hear, hear!

Mr. Clark: I would ask the minister whether he would assure us now that Loto-Canada will operate only until it has raised sufficient funds to meet the federal share of the Olympic deficit and that this government will not use the Olympics as an excuse for yet another unilateral raid on a revenue field which is the original priority and original property of the provinces?

Mr. Sharp: Mr. Speaker, may I comment first on the suggestion of the Leader of the Opposition that we are expecting the opposition to take the lead in introducing legislation. If he had listened to what the President of the Treasury Board said, and if he had listened to what I said, we are prepared to bring before this House the proposal, to have it debated in the House, to have a vote on it and I continue to expect that the Leader of the Opposition would support that measure.

An hon. Member: Bring it in.

Mr. Sharp: As to the other question, the federal government does not have any share of the Olympics' deficit that we are prepared to pay. All that we are proposing is that there should be a continuation of the lottery so that during the three years that has been spoken about, the proceeds of that lottery should be distributed in the proportions put forward by the President of the Treasury Board. All this other talk seems to me to indicate that the Leader of the Opposition wants to have it both ways.

Mr. Baker (Grenville-Carleton): Nonsense.

Mr. Clark: Mr. Speaker, I would gather from the Acting Prime Minister that now the government is prepared to bring in a bill, is that correct? Is that what he said? Is that so? We are prepared to welcome a bill. That is what should be done. What we want to know, and what he is trying to evade now, is what happens to Loto-Canada after the federal share of that deficit has been met and will there be a guarantee—

An hon. Member: What are you talking about?

Mr. Clark: —and will there be—all right. After the federal contribution for the retirement of that deficit has been made, will the Acting Prime Minister give us a guarantee now that Loto-Canada will, by legislation, be terminated as soon as the federal government has met a portion of that deficit and that it will not continue indefinitely as another raid upon the revenue sources which should properly belong to the provinces?

• (1120)

Some hon. Members: That is the question.

Mr. Sharp: Mr. Speaker, the proposition which the House will be asked to consider, as put forward by the government, will be the continuation of this lottery for a stated time. We are not asking for any further extension beyond that time. It may be that the Leader of the Opposition, if he is still here at that time—

Some hon. Members: Oh, oh!

Mr. Clark: I will be over there, on your side.

Mr. Paproski: And you, Mitch, will be in the court of St. James.

Mr. Fairweather: Or ambassador to Luxemburg.

Mr. Sharp: When we come to the time after 1979, which is the termination of the proposal that we are putting forward, in case this House decides that it wants to have another kind of national lottery, I do not think we should do anything now which would prevent the House from taking that action. It is not our proposal. Our proposal is to extend this particular lottery mainly for the purpose of helping the province of Quebec meet part of the deficit. That is our whole proposition. I hope the hon. gentleman continues to support it.

POSSIBILITY PROVINCIAL APPROVAL NECESSARY FOR OPERATION OF LOTTERY IN EACH PROVINCE—PRIOR CONSULTATION WITH PROVINCES

Mr. Don Mazankowski (Vegreville): Mr. Speaker, may I direct a supplementary question to the Acting Prime Minister. Can the Acting Prime Minister advise the House if Loto Canada is intended to be operated according to the same principles as the current Olympic lottery, namely, that each province must give its approval before the lottery can operate in that given province?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, no. The proposal which the President of the Treasury Board will put forward is for a national lottery which is, of course, provided for in the Criminal Code. We do not need any approval for that. That approval has been given by this House of Commons. All we are asking support for is the establishment of a Crown corporation which would run the lottery, and for start-up funds. That is the purpose, and it seems to me a perfectly reasonable proposition. There will be plenty of opportunities to debate it and reach a conclusion, and I am sure that it must be in the interest of everyone in this country to remove the uncertainty which now exists.

Mr. Mazankowski: Mr. Speaker, may I ask a further supplementary question. Since some provinces have already indicated they will not participate in Loto Canada, can the minister advise this House what consultations, if any, the President of the Treasury Board held with the provinces, and will he be prepared to table that information in the House?

Mr. Sharp: Mr. Speaker, I am sorry; I was engaged in conversation. Could the question be repeated?

Mr. Mazankowski: Mr. Speaker, I am sorry the minister was so engaged with his colleagues in trying to fabricate the answer to the next question.

Some hon. Members: Oh, oh!

Mr. Mazankowski: I am asking the Acting Prime Minister this question: As some provinces have already indicated their intention to opt out of Loto Canada, in other words, not to participate in the program, can the minister advise the House what consultations if any took place with the provinces prior to the announcement of the President of the Treasury Board on Monday with regard to the establishment of Loto Canada?

Mr. Sharp: Mr. Speaker, I think there must be some misunderstanding. This will be a federal lottery.

Mr. Paproski: What! Is there to be no consultation?

Mr. Sharp: This is a proposal put forward by the federal government. The provinces do not have to take any decision about the matter.

Mr. Clark: You do not consult the provinces and do not consult this parliament.

Mr. Sharp: They may or may not agree with the proposal, but it will be for a federal lottery.

* * *

EXTERNAL AFFAIRS

INQUIRIES OF UNITED STATES OFFICIALS CONCERNING DEATH OF ANNA AQUASH—REQUEST FOR REPORT—COMPENSATION FOR DEPENDANTS

Mr. Wally Firth (Northwest Territories): Mr. Speaker, my question is for the Secretary of State for External Affairs. Over the past several weeks a number of organizations and individuals have approached the Secretary of State for External Affairs concerning the death of a Canadian citizen, Anna Mae Pictou Aquash, and the subsequent mutilation of her body by U.S. federal authorities. It has been reported in the media that the minister made inquiries about this matter of officials in the United States. I wish to ask him what form these inquiries took and what reply, if any, he received?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I am familiar with this particular case. Our consulate in Minneapolis has had a number of discussions with authorities in the area. I have instructed our embassy in Washington to ask the United States authorities for an urgent investigation into the circumstances of this case which, as the hon. member is aware, raises many questions of very great concern.

Mr. Firth: A supplementary question, Mr. Speaker. As this person is survived by two children in Nova Scotia, may I ask what efforts would be made to have those people compensated?

Mr. MacEachen: Mr. Speaker, I am familiar with the case because the persons referred to are in my home constituency. I assure my hon. friend that everything possible will be done to assist.

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[*Translation*]

AIR TRANSPORT

BILINGUAL AIR-TO-GROUND COMMUNICATIONS—REQUEST FOR ASSURANCE OF IMPARTIALITY OF INQUIRY OFFICER

Mr. René Matte (Champlain): Mr. Speaker, I wish to address my question to the right hon. Prime Minister.

In view of the decision by the Minister of Transport to order a public investigation into the modality and the impact of implementing bilingualism in air-ground communications, and given the fact that Mr. Keenan has been appointed to hold this inquiry and that the same Mr. Keenan is the very person who prompted the pilot union to adopt its strategy to fight bilingualism, would the Prime Minister tell us what guarantee he has about the impartiality of Mr. Keenan?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, according to my information—I say that because I do not know this lawyer personally—Mr. Keenan was indeed a lawyer who acted with the pilots but I do not admit at all, as suggested by the hon. member, that he was the promoter of that strategy against the official languages legislation.

According to my information, Mr. Keenan is an able and unbiased lawyer. That he may have the sympathy of the pilots in this case is not a bad thing as long as he can show his impartiality and in that we trust.

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

To enlighten further the Prime Minister, I have here an excerpt from a newspaper report according to which it was Mr. Keenan indeed who advised and guided the association last summer when they decided to strike to protest against the terrible dangers which the use of French would represent for the safety of airline passengers.

An hon. Member: You are not plucky enough!

An hon. Member: You do not mention the name of the newspaper.

Mr. Matte: I would like to know if every precaution has been taken to ensure the impartiality of Mr. Keenan and what steps were taken before his appointment.

An hon. Member: You are not plucky enough!

Mr. Trudeau: I am not in a position to check the hon. member's allegations quoting a newspaper article unless he mentions the newspaper involved. I know the hon. member will provide me with this information and then, on the strength of it, I will look into the matter.

I do not think there is any reason to be overly concerned here. As I understand it, when a counsel works for a party, he advises that party. I do not know whether, in this case, this information has been verified or not. What is important is for the lawyers—

Mr. Fairweather (Fundy-Royal): What about Michel Côté?

Mr. Trudeau: There is another counsel. The hon. member opposite is talking about Michel Côté. I know a certain Mr. Holden of Montreal who has not shown the impartiality that the hon. member seems to want him to display.

Mr. Speaker, when one deals with a profession as honourable as the Bar, I do not think one counsel should be misjudged merely because some of its elements are less worthy.

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[*English*]

EDUCATION

ALLEGED ERROR IN ESTIMATING AMOUNT DUE PROVINCES FOR POST-SECONDARY EDUCATION—GOVERNMENT ACTION TO RECTIFY

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is to the Secretary of State. It has to do with his admission of a $111 million mistake in estimating the payments due to the provinces for the financing of post-secondary education under the Fiscal Arrangements Act. What justification does the minister have for reneging on the agreement with the provinces to pay the full amount calculated under Section 6 of this act in respect of post-secondary education?

Hon. James Hugh Faulkner (Secretary of State): First of all, Mr. Speaker, the notion of an admission of a mistake is the contribution of the CBC, not mine.

Some hon. Members: Oh, oh!

Mr. Faulkner: I have never admitted to a mistake. It was not a mistake. It was one of the realities of a restraint program.

Some hon. Members: Oh, oh!

● (1130)

Mr. Faulkner: The second part of the question was: are we reneging? The answer is, no. We shall be paying 50 per cent of the operating cost of post-secondary institutions. What is at issue here is the rate at which we shall be paying over the next three years.

REQUEST FOR TABLING OF LETTER TO PROVINCIAL MINISTERS OF EDUCATION—TIME NECESSARY TO MAKE UP SHORTFALL IN PAYMENTS TO PROVINCES

Miss Flora MacDonald (Kingston and the Islands): In the light of that rather weak answer, may I ask the minister whether he will table the letter he has written to the provincial ministers of education on this subject? Will he tell us exactly how and within what time frame the shortfall will be made up to the provinces?

Hon. James Hugh Faulkner (Secretary of State): I find no difficulty about tabling a letter. I suspect the hon. lady has the letter right there.

Some hon. Members: Oh!

Mr. Clark: Check the Toronto *Sun*.

Mr. Faulkner: I am trying to help the hon. lady in her role as critic. She needs help. As to the time frame, that is a matter I shall be discussing with the provinces.

Miss MacDonald: Can the minister tell us whether the government intends to compensate the provinces for any additional expenditure incurred by them, for example, interest charges on the interim financing they will have to arrange because of the federal government's error?

Mr. Faulkner: The hon. lady seems to be perpetuating the myth which the CBC initiated. It is not a question of error. We are talking here about estimated costs. The estimate offered by the provinces may in fact be higher than the real costs. We have a certain estimate—it happens to be a bit lower than the provincial one—but neither has been confirmed.

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EXTERNAL AFFAIRS

ALLEGATION OF PRESSURE TO CANCEL DEMONSTRATION BY PRISONERS RELEASE ORGANIZATION IN FRONT OF RUSSIAN EMBASSY—GOVERNMENT POSITION

Mr. Jake Epp (Provencher): Mr. Speaker, my question is addressed to the Minister of National Revenue. In recent days, many Canadians have been concerned about the pressure Revenue Canada has placed on Christian Prisoners Release International as a result of which a planned, orderly demonstration in front of the embassy of the USSR scheduled for May 8, 1976 was cancelled. May I ask whether pressure was brought to bear upon his department by the Department of External Affairs to threaten Christian Prisoners Release International with the cancellation of its charitable status should the march take place?

Hon. Jack Cullen (Minister of National Revenue): No, Mr. Speaker.

Mr. Epp: A supplementary question. I should like to ask the Secretary of State for External Affairs whether the pressure his department place on Revenue Canada—pressure which has been confirmed by Revenue Canada officials—developed as a result of instructions from the U.S.S.R. or its ambassador to Canada in an effort to get CPRI to cancel the planned demonstration.

Hon. Allan J. MacEachen (Secretary of State for External Affairs): I know nothing about this matter. I will make inquiries.

REASON FOR TRIP TO HANOI BY PRESIDENT OF PETRO-CANADA

Mr. James Gillies (Don Valley): Mr. Speaker, in the absence of the Minister of Energy, Mines and Resources I will direct my question to the Secretary of State for External Affairs. Can the minister explain the reason for the trip made by Mr. Strong, President of Petro-Canada, to Hanoi recently? Can he confirm that Petro-Canada is negotiating for acreage off the coast of Viet Nam for exploration purposes?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): I am aware of the trip Mr. Strong made some time ago; it was made with the knowledge of the Department of External Affairs and it had to do with discussions as to how there might be future co-operation between Petro-Canada and Viet Nam. I would have to search for details before I could give them to the hon. member.

Mr. Gillies: Is it the policy of the government of Canada to see taxpayers' dollars invested in a very risky enterprise in a communist country which has just undergone a revolution?

Mr. MacEachen: Mr. Speaker, that is not even in the cards.

Mr. Gillies: The minister says it is not even in the cards. How can he reconcile that statement with his answer to my first question, that Mr. Strong went there to negotiate this kind of proposition?

Mr. MacEachen: The hon. member's second question contained a whole series of tendentious comments which are not applicable to the situation at all.

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[Translation]

STATISTICS CANADA

INQUIRY WHETHER CENSUS QUESTIONNAIRE WILL INCLUDE QUESTION TO IDENTIFY MOTHER TONGUE

Mr. Louis Duclos (Montmorency): Mr. Speaker, I have a question for the right hon. Prime Minister.

It is about the next quinquennial census to be made by Statistics Canada. Since on the one hand the data related to the mother tongue of Canadians do not accurately reflect the dynamics of the country's linguistic reality and since, on the other hand, it is essential that this reality be defined as precisely as possible before proceeding to establish bilingual districts, could the Prime Minister tell the House whether the government has asked Statistics Canada to review its decision not to include a question about the language commonly used by Canadians in the questionnaire to be used for the quinquennial census which will begin on June 1?

[Mr. Epp.]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member and some of his colleagues have written to me about this not too long ago, and I have asked that this request be transmitted to Statistics Canada. I must, however, admit to the hon. member that I have not yet received an answer and I cannot tell whether the letter has been forwarded. Still I do know that the question has been cut out of the quinquennial census questionnaire on grounds of economy rather than for basic reasons. Of course, the question remains in the decennial census questionnaires, but I will check into their attitude. I believe it is possible to reintegrate the question about expenses, but I will readily accept the supplementary question.

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[English]

INDUSTRY

TRANSFER BY FIRESTONE OF PRODUCTION OF DUNLOP TIRES TO UNITED STATES—REQUEST FOR REPORT

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, I should like to address a question to the Minister of Industry, Trade and Commerce. It is in connection with a question I put to the minister last week regarding the transfer of production of Dunlop tires from the Firestone plant at Whitby to the United States and the importation of those tires from the United States with a resulting loss of employment. The minister said he would look into the situation and report back to the House. Is he in a position to give a report today?

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Yes, Mr. Speaker. The situation as I have been advised of it by the company concerned and by my officials is that there is no change in the anticipated level of activity at the company concerned. The actions to which he has alluded relate to the necessity to switch from a particular trademark, which I believe was Firestone, to the Dunlop trademark. It is strictly a matter of a change of that type rather than any basic change in the operation or procedures or plans of the company concerned.

Mr. Saltsman: Would the minister inquire further into this matter because there is a great deal more involved in it than he has indicated. Dunlop is a well known trademark; those tires were being made in Canada and sold on the Canadian market and now they are to be made in the United States and sold on the Canadian market. Firestone is going to make an unbranded tire which means that consumer acceptance will be somewhat lower than if Dunlop tires were being offered; it means there is an extra competitor in the Canadian market with a consequent loss of employment. Will the minister check into this situation again, particularly with respect to the likely loss of employment in Canada resulting from the use of the Dunlop trade name in the United States and those tires being shipped into Canada?

Mr. Jamieson: Yes, I will look into that aspect in more detail. I did make some inquiries along the lines the hon. member has indicated and I was assured the company did not anticipate any loss of employment. But I will look at

the question again and refer it to my officials as well as to the company and get an answer for the hon. member.

* * *

● (1140)

FINANCE

SOURCE OF STATISTICS CONCERNING INFLATION ON WHICH MINISTER WILL RELY IN PREPARING BUDGET

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I have a question for the Minister of Finance. Right on the heels of Statistics Canada's monthly announcement yesterday that our annual inflation rate was 8.9 per cent, Mrs. Plumptre of Anti-Inflation Board fame has said that her board's figures were more up to date and indicated that food prices were up, not down, as Statistics Canada reported, thus resulting in higher, not lower, inflation levels. Would the minister indicate whose figures he intends to follow when he refers to inflation levels in his budget and on future dates, those of Statistics Canada or those of the Anti-Inflation Board?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I think probably it would be the policy generally to rely on Statistics Canada for those and other figures, but I would, of course, be interested in talking to Mrs. Plumptre about her views on the question.

LEVEL OF OIL PRICES ON WHICH INFLATION TARGETS BASED

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my supplementary question is again for the Minister of Finance. Since it is the clear intent of the present administration to raise domestic oil prices substantially in the near future, can the minister tell the House whether his inflation targets of 8 per cent this year and 6 per cent next year were prepared on the assumption of higher oil prices this year and next, and, if so, would he indicate to the House the basis for his assumption of oil price increases this year and next?

Hon. Donald S. Macdonald (Minister of Finance): Yes, Mr. Speaker. The assumption was that there would be price changes. I cannot recall offhand the analysis used, but a figure, of course, had to be chosen for this purpose.

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TRANSPORT

INCREASE IN CONTAINER FREIGHT RATES—REQUEST FOR REVIEW BY TRANSPORT COMMISSION OR GOVERNMENT INTERVENTION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I direct my question to the Acting Minister of Transport or the parliamentary secretary. It arises out of the clear direction by the government that the railways will be required to follow guidelines with respect to restraint in this period, as set forth from time to time by the government. Can the acting minister or the parliamentary secretary give some indication, in light of the 18.7 per cent increase in container freight rates out of the ports of Halifax and Saint John into Montreal, whether the government intends to ensure that the CTC review the matter? If I may also put a supplementary, if it is not thinking about it, would the government undertake to file an intervention respecting this freight rate increase that will take place on July 1, which will amount to about an 18.7 per cent increase since January 1?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am not personally aware of the precise answer to the hon. member's first question, and the second part of the question depends upon the first. I will undertake to get a specific response to the matter for him and I will report back, hopefully at the beginning of next week.

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URBAN AFFAIRS

REASON FOR INCREASE IN COST OF TORONTO HARBOURFRONT PARK AND DELAY IN COMPLETION

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, my question is for the Minister of State for Urban Affairs. In view of the fact that a few months ago, in regard to the Toronto harbourfront park, the President of the Privy Council said, to quote him, "We are looking at economies in all directions", and the minister himself, although he could not assure us that the cost of the park would not increase, said that he had gratifying information in that the costs have not accelerated as much as they might have been expected to, would the minister now explain how, particularly in these days of restraint, the cost of the harbourfront park in Toronto was allowed to skyrocket to $55 million from the original estimate of $36 million, with indications of further increases yet to come?

Hon. Barney Danson (Minister of State for Urban Affairs): First of all, Mr. Speaker, there are no indications of further increases to come. Those increases took place between 1972 and the period when the restraint took place. It was a natural inflationary period at that time, and that is one of the reasons the restraint program is underway, as is the park.

Mr. Jelinek: A supplementary question, Mr. Speaker. In view of the fact that this white elephant was born on the eve of the federal election in 1972 as a Liberal election goodie, and as of now is not scheduled to be completed until 1981, according to the minister's department, would the minister inform this House why this painstaking operation must drag on for nearly a decade at continuingly increasing, exorbitant cost to the taxpayer? Surely, there must be other higher spending priorities at this time.

Mr. Danson: Surely, Mr. Speaker, the hon. member, being from the Toronto region, will realize that this is one of the most valuable "white elephants" that has ever been acquired.

Some hon. Members: Oh, oh!

Mr. Danson: The interesting timing of the acquisition, of course, related to secrecy of the negotiations in acquiring the site, and had nothing to do with an election pending at that time.

Some hon. Members: Oh, oh!

Mr. Danson: The hon. member's question really provides the answer. The long period of implementation—the period has not specifically been decided; it is a continuing operation—is because of the continuing cost. I have never said, indeed I have said the contrary, that it is my wish to see an instant park created. This site has to develop over a period of years in an economical and feasible manner. It was so even before the present restraint period was begun, and it is perfectly consistent with the feelings of the people of Toronto, as has been indicated in the various surveys that have been done.

* * *

EDUCATION

PROPOSED FEDERAL-PROVINCIAL MEETING TO DELINEATE GOALS OF POST-SECONDARY EDUCATION—GOVERNMENT POSITION

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, my question is for the Secretary of State. Following the question of the hon. member for Kingston and the Islands, I wonder whether the minister would propose the idea that has been propounded by the AUCC, that before the Fiscal Arrangements Act is amended and we have another fixed period of tax point changes for post-secondary education, it might be an idea to have a federal-provincial meeting to try to delineate the goals of post-secondary education, or for that matter education in general? How has the minister responded to that idea?

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, I have responded sympathetically to that idea. I think it is a sensible and constructive idea. I have not at this point had any response to the idea from the provinces.

Mr. Fairweather: A supplementary question, Mr. Speaker. Is this to be part of the negotiations in mid-June when the Fiscal Arrangements Act is being discussed by the first ministers?

Mr. Faulkner: Mr. Speaker, I think the hon. member will have to wait until mid-June.

ALLEGED INADEQUACY OF PAYMENTS TO WESTERN PROVINCES FOR POST-SECONDARY EDUCATION—GOVERNMENT POSITION

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, I have a supplementary question for the minister. While he is pondering the $100 million miscalculation, rather than error, would he also look at the inequity that exists in the 1972 Fiscal Arrangements Act regarding post-secondary schools in the western provinces that are facing large growth? The 15 per cent increments are not adequate to meet the needs of those universities and their colleges in their growth period.

[Mr. Danson.]

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, that is a subject on which I have received some representation, and of course it is being considered.

* * *

[*Translation*]

LOTO-CANADA

DURATION OF LOTTERY

Mr. Roch La Salle (Joliette): Mr. Speaker, my question is for the right hon. Prime Minister.

Considering that a moment ago my leader asked questions about Loto-Canada and considering also that he already knows that I and my colleagues are very much in favour of the objective sought by the government, that is supplementary assistance to the Olympic Games Organization Committee to make up the deficit, can the Prime Minister assure the House that when this matter will be discussed, the term of the corporation will be determined so as to dissolve it when the objective of helping the people of Quebec support the cost of the Olympics is achieved?

● (1150)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if I understand the leader of the House correctly, the question was put rather in another form; naturally, I did not hear it, no more than I did the answer for that matter. The government currently plans to set up a national lottery for an indefinite length of time. If the official opposition demands that that lottery come to an end in 1979—the hon. member knows full well that the bill is also intended to help the Commonwealth Games to be held in Edmonton—but if the support of the official opposition depends on that condition, the government is willing to consider the possibility of including a provision in the bill enabling the House to put an end to the lottery in 1979. The government is quite willing to negotiate those details with the opposition. Our intention was explained very clearly by the President of the Treasury Board: we intend to set up a national lottery to serve various ends, but for an unlimited time, as indicated by the President of the Treasury Board.

The President of the Privy Council tells me that he indicated in his answer a degree of flexibility on the part of the government, which is certainly open to negotiation with opposition parties.

CONSULTATION WITH PROVINCES

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to ask a supplementary.

I do appreciate the Prime Minister's answer, but considering that the provinces are generally responsive to that objective of wiping out the deficit the province of Quebec will have to bear, and considering that the provinces are very interested in certain provincial lotteries, could the Prime Minister assure the House that the provinces will be consulted if the national lottery is to be permanent and before a final decision is made?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I know there already was an exchange of views and I

know for instance that the Minister of National Health and Welfare had the opportunity to talk with western provincial ministers indicating that a national lottery could serve certain national purposes. These are views we are prepared to entertain from the opposition. I repeat, we are flexible. The important thing is, and I think it is a matter of fact, that we have the support of the Conservative party that the lottery will last at least until 1979. If the opposition insists that there be a clause to put an end to the lottery, then we are prepared to discuss the matter with the different parties.

* * *

[*English*]

HEALTH

ALLEGEDLY CONFLICTING STATEMENTS CONCERNING PURCHASE OF EQUIPMENT TO PRODUCE SWINE FLU VACCINE—REQUEST FOR CLARIFICATION

Mr. F. A. Philbrook (Halton): Mr. Speaker, my question is for the Minister of National Health and Welfare. Recently the minister was reported as having stated that Connaught Laboratories was unable to buy equipment from the United States to produce swine flu vaccine because that country had prohibited the exportation of that equipment in order to keep it for its own needs. Apparently the opposition health critic, the hon. member for Athabasca, alleged that equipment was available except for federal government indecision and Mr. John Curran of Connaught also contradicted the minister's statement. Mr. Speaker, which is the true story?

Some hon. Members: Oh, oh!

An hon. Member: Here is Corporal Lalonde.

Mr. Speaker: The Minister of National Health and Welfare.

Mr. Clark: When did you last have dinner with Bryce?

Hon. Marc Lalonde (Minister of National Health and Welfare): I can tell you that I have dinner with my colleague more often than the hon. member is in the House.

Mr. Baker (Grenville-Carleton): I bet you don't enjoy it as much.

Mr. Clark: We will see the results of that.

Mr. Lalonde: Mr. Speaker, the statement that was made by the hon. member for Athabasca was unfounded and this fact has been confirmed by the Connaught representative. I stated in committee when the question was asked that Connaught Laboratories had negotiated with an American company and had reached verbal agreement to purchase the equipment when the American firm advised that they could no longer offer that equipment for sale. This point was confirmed in subsequent discussions with the management of Connaught Laboratories. Connaught Laboratories have indicated that even if the proposed acquisition of equipment had transpired there would have been difficulty in manufacturing significant quantities of the influenza vaccine in time for fall immunization programs. The decision on the part of Connaught Laboratories to seek offshore sources of a swine containing influenza vaccines was predicated largely on the need to have insured supplies available in time for the early fall.

Some hon. Members: Order.

Mr. Speaker: Order, please. The hon. member for Winnipeg North.

Mr. Orlikow: Mr. Speaker, I had hoped to direct a question to the Secretary of State but he seems to have disappeared.

Mr. Speaker: The hon. member for Burnaby-Richmond-Delta.

* * *

HOUSE OF COMMONS

RECORDING OF TELEPHONE CONVERSATIONS—INQUIRY AS TO PRACTICE OF PRESIDENT OF THE PRIVY COUNCIL

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, I have a question for the President of the Privy Council. It relates to an answer he gave my colleague from Peace River yesterday in which he said he had a record of the conversation with the two *Gazette* people who interviewed him on the evening before via telephone. I wonder whether the minister would advise the House if it is common practice for his office to record conversations on the telephone with reporters?

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, when the reporter from the *Gazette* phoned me he said he was recording the conversations so I said "I am doing the same thing".

Mr. Reynolds: Mr. Speaker, my supplementary is for the President of the Privy Council. That is not the report I received from the reporter. Can the minister tell me if he can advise this House whether it is common practice for his office to record telephone conversations without telling the people at the other end.

Mr. Speaker: Order, please. That was precisely the question directed to the President of the Privy Council which was answered.

* * *

NATIONAL DEFENCE

LAY-OFF NOTICES TO EMPLOYEES AT CFB SYDNEY—REQUEST FOR CANCELLATION

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of National Defence but he has just escaped. He had to go on other business. Because of the urgency of the question, I shall direct it to the acting minister or whoever looks after Lockheed or whatever it is. In any event, I want to raise the question of lay-off notices being received by workers at CFB Sydney, some of whom have as many as 12 years service. Would the minister look into it and cancel these

lay-off notices immediately in view of the economic situation in Cape Breton and the abnormally high unemployment rate.

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I will be glad to bring it to the attention of the minister. This is the first I have heard of lay-off notices at CFB Sydney, but I will be glad to bring it to the attention of the minister and report back to the hon. member.

Mr. Muir: Mr. Speaker, because of the importance and the urgency of the situation, may I ask the hon. member just how soon we may have an answer?

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I will try to contact the hon. member personally before the day is over and, if not today, on Monday at the latest.

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CUSTOMS

ALLEGED SUSPENSION OF CLEARANCE SERVICES AT REGINA AND SASKATOON AIRPORTS—REQUEST FOR EXPLANATION

Mr. Jim Balfour (Regina East): Mr. Speaker, my question is for the Minister of National Revenue. Is it correct that the Department of National Revenue has recently suspended customs clearance services at the Saskatoon and Regina airports and if so, will he explain the basis for this decision?

Hon. Jack Cullen (Minister of National Revenue): That is a subject with which I am not familiar, Mr. Speaker. I will have to check it out and get back to the hon. member.

* * *

PUBLIC BUILDINGS

REASON FOR PURCHASE OF AUTOMATIC ELEVATORS FOR CONFEDERATION BUILDING

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister of Public Works. Last night I questioned him on the purchase of $875,000 worth of automatic elevators for the Confederation Building and the minister stated this was part of an energy conservation program. Would the minister give us a little more detailed explanation and tell us how long it will take to recover the $875,000 as a result of saving on the cost of energy.

Mr. Speaker: Order, please.

Mr. McKenzie: Mr. Speaker, is the minister going to answer my question?

Hon. C. M. Drury (Minister of Public Works): Mr. Speaker, I am sorry; I was not paying attention.

Mr. Speaker: The hon. member for Winnipeg South Centre.

[Mr. Muir.]

Mr. McKenzie: I will repeat my question, Mr. Speaker. Last night I raised this issue of the spending of $875,000 to purchase automatic elevators for the Confederation Building on Parliament Hill and the answer was that this is part of an energy conservation program, that energy is being conserved by the spending of $875,000 to provide automatic elevators. Would the minister give us a little more detailed information and inform the House how long it will take to recover the $875,000 as a result of the conservation of energy.

Mr. Drury: Mr. Speaker, when I have the precise information I will be glad to report to the hon. member.

Mr. McKenzie: Mr. Speaker, has the minister consulted with Mr. Speaker as to whether there will be operators on the automatic elevators after installation is complete?

Mr. Drury: Mr. Speaker, I have not consulted personally with the Speaker on this question.

* * *

FINANCE

TAXATION OF COMPENSATION PAYMENTS FOR ANIMALS SLAUGHTERED—REQUEST FOR CHANGE IN PROVISION

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, my question is for the Minister of Finance. In view of the fact that many ranchers or cattlemen in Canada find themselves subject to income tax on compensation paid by the Department of Agriculture when ordered by the Health of Animals Branch to slaughter their herds, is the minister planning to correct this inequity in his budget of May 25?

● (1200)

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, of course I could not respond directly to that now but I will undertake to consider that in the budget preparation.

Mr. Fairweather: Mr. Speaker, I rise on a point of order. Although it concerns the Secretary of State for External Affairs, I hesitate to raise the matter with him. The reason for my hesitancy is the seriousness and the horror we all must feel about the death of Anna Mae Pictou Aquash. I put this question on the order paper on April 28 specifically because I did not wish to use the question period time, and also I thought the department was entitled to a fairly careful notice of the question. Unhappily, because of other pressures, presumably, the department has responded publicly and not bothered in any way to get in touch with the member of parliament who raised the issue 2½ weeks ago. This puts members into a dilemma if we wish to raise questions.

Presumably I could have given some notice, but I thought that the death and mutilation, in the most horrible circumstances, of an Indian woman needed the sensitive attention of the department, and I think it is getting it—but surely the sensitivity should also extend to the member of parliament who raised the question. Before the department makes a public statement, they might at least

have the courtesy to get in touch with the person who raised the matter.

I know the question was raised today by the hon. member for Northwest Territories. I wanted to put this on record because of the dilemma in which it places members when we use the order paper in the way for which I suspect it was designed, and then nobody bothers to respond.

Mr. MacEachen: Mr. Speaker, I take the point that has been made by the hon. member. I think it is a good point, and I regret that events have developed in such a way that he was not the first recipient of the information, as he ought to have been.

Mr. Reynolds: Mr. Speaker, I rise on a question of privilege which relates to the answer that the President of the Privy Council just gave me. When he answered the question yesterday I was quite shocked to hear him say there was a recording, because I did not think in this country we would be recording conversations, especially in ministers' offices. I took the time to phone the Montreal *Gazette*. I spoke to one of the two reporters who interviewed the President of the Privy Council, a gentleman by the name of Kendal Windeyer, who told me that when he phoned the President of the Privy Council he told him that he wanted to record the conversation to make sure that everything was accurate.

I asked him whether the President of the Privy Council told him that he was recording the conversation, and he said no, he did not. Today we have heard the minister say that he did record the conversation, but that he told the other party he was recording it. I am surprised that the minister would have the recorder so close to the telephone that he could put it on immediately when the gentleman telephoned him for the interview.

In view of the differences of opinion and the fact that the minister has a recording of the conversation in his office, and the reporters have a recording, I would like that tape, Mr. Speaker, if you think I have a question of privilege, to be sent to the Standing Committee on Privileges and Elections, to see whether the minister's account is accurate.

Mr. Speaker: In fairness I must point out that the President of the Privy Council is entitled to be heard on this, and without hearing him I must say that there is no semblance of a question of privilege in the point raised by the hon. member for Burnaby-Richmond-Delta. However, I will hear the President of the Privy Council.

Mr. Sharp: Mr. Speaker, so there is no misunderstanding on this question, let me say that the reporter concerned who has been mentioned by the hon. member got in touch with my office some days ago and said he wanted to have an interview with me about a number of questions, including the employment of detective agencies. He sent me in advance a list of the questions he was going to ask, and he asked me whether there would be any objection to recording the conversation. I said "No." I decided, therefore, that since he was going to have a record of the conversation, I should have one too, so I asked somebody in my office to attach a machine to the telephone.

Mr. Reynolds: You have to tell him that.

Mr. Sharp: It was agreed, and it was recorded. I regret it if I gave the impression that I said that. I assumed that when he said the conversation would be recorded, there would be no objection if I recorded it too.

Some hon. Members: Oh, oh!

[*Later:*]

Mr. Forrestall: Mr. Speaker, I rise on the same question of privilege. Perhaps, Mr. Speaker, you might decide in your wisdom that my colleague does not have a question of privilege, but the response of the minister and the events that have just come to light prompt me to rise. In my judgment, this matter affects the privilege of all members of this chamber. That privilege, of course, is the right to enjoy privacy in telephone communications with members of the government, members of this chamber and, indeed, I hope with members of the public service of Canada. If there is a suggestion that telephone conversations are being recorded without prior indication to the caller, then I seriously think that the privileges of members of the House with respect to private communications are affected.

Mr. Speaker: Order, please. I will certainly give the matter careful consideration, but it seems to me that there is a law in existence which governs what can and what cannot be done in respect of telephone conversations. As I have said, I will give this matter careful consideration.

[*Translation*]

Mr. Matte: I rise on a point of order, Mr. Speaker.

Mr. Speaker: The hon. member for Champlain.

Mr. Matte: I rise on a point of order, Mr. Speaker.

When questions were put to the Prime Minister earlier, several government members, as it often happens, showed that they know practically nothing about air-ground communications and seemed to be too heavy to take off.

But to remove any doubt about the facts that I mentioned concerning the lawyer, Mr. Keenan, I want to point out that my information came from the column *Bloc-notes* entitled "Les risques d'une enquête", by Michel Roy, in today's *Le Devoir*, May 14, 1976.

[*English*]

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order. Earlier in the question period a question was put to the Minister of National Health and Welfare which he was attempting to answer with the help of a file, and I presume the answer was important to him. The length and scope of the answer perhaps transcended the rules with respect to answers in the question period. I just want to make it clear that there is some anxiety for us to hear that answer as well. If the minister is available, perhaps he might want to make a statement on motions with respect to it, and we would be delighted to hear it.

I say that, sir, because it is extremely important to the conduct of the question period, first, that questions be answered, and second that the answers given to questions conform with the rules and the practice of the House. I wanted to assure the Minister of National Health and Welfare that there is an anxiety on our part to hear the

answer, but there is also anxiety to preserve the question period. While there can be some danger in preambles to answers being too long and detailed, thus endangering the rights of members of parliament in terms of the use of the question period and the number of members who can be recognized in the question period, there is also some danger to the quality of the question period. I want to indicate to you, Mr. Speaker, that if the minister is available and wants to return to the House, we would be prepared to give consent for him to make a statement.

● (1210)

Mr. Blais: Mr. Speaker, on the same point of order, I am pleased that the opposition House leader raised that point. It seems that he objects to the fact that the Minister of National Health and Welfare read his reply and that it contained information he obtained from his files, as was pointed out. I simply wish to indicate that if the hon. member objects to that, perhaps I should draw attention to the fact that most hon. members on the front benches opposite, when asking questions, read their preambles and read all the questions which are asked of ministers.

Mr. Speaker: Order, please. These are interesting comments on what has taken place in the question period. However, I think in bringing the minister to a stop in the form of the answer he attempted to give today was an indication that it was too long an answer in the question period. Hopefully, there will be some other way to try to put forward the information.

ROUTINE PROCEEDINGS

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 3,288, 3,835, 3,864, 5,008, 5,009, 5,029, 5,107, 5,152, 5,228, 5,263, 5,377 to 5,380, inclusive, and 5,382 and 5,383.

[*Text*]

GUARANTEED AND ESTIMATED COSTS—PROPOSED AND ESTIMATED COSTS

Question No. 3,288—**Mr. Brisco:**

What are the proposed and estimated costs for the implementation of a guaranteed income policy?

Hon. Marc Lalonde (Minister of National Health and Welfare): It is not possible to answer this question because estimated costs will vary widely depending on the program configuration selected for a guaranteed income policy. The program configuration is now under discussion with provincial governments and a further Federal-Provincial Conference is planned for June, 1976.

[Mr. Baker (Grenville-Carleton).]

PEI COMPREHENSIVE DEVELOPMENT PLAN

Question No. 3,835—**Mr. MacDonald (Egmont):**

With reference to the fishing sector of the Prince Edward Island Comprehensive Development Plan, has a comprehensive resource inventory been made of each major fish species found in the environs of PEI?

Mr. George Baker (Parliamentary Secretary to Minister of State (Fisheries)): No.

PEI—FISHING SECTOR

Question No. 3,864—**Mr. MacDonald (Egmont):**

1. With reference to the fishing sector of the Prince Edward Island Comprehensive Development Plan, is the original objective of increasing individual fishermen's incomes still in effect and, if so, does the primary instrument for achieving this objective remain the reduction of the number of fishermen?

2. How many persons in PEI made fishing their primary source of income in each year since 1969?

3. How many persons making fishing their primary source of income does the sectoral objective aim to have in each year from 1975 to 1983?

4. Have measures been taken since the Plan's inception to reduce the number of fishermen and, if so, what has been the (a) cost (b) effect of each measure?

5. Since the Plan's inception (a) how many persons have taken up fishing as their primary source of income (b) what were their previous occupations, including percentage of total for each occupation (c) how many persons have stopped fishing as their primary source of income (d) what new occupations did they go to, including percentage of total for each occupation?

6. What new measures are (a) under consideration (b) planned to encourage fishermen to seek alternate employment?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by the Department of Regional Economic Expansion and Environment Canada as follows: 1. The original objective of increasing fishermen's income is still in effect. The primary instrument for achieving this is not a reduction of the number of fishermen.

2. See table below.

3. There is no fixed objective respecting the number of persons making fishing their primary source of income in each year from 1975 to 1983. However, it is anticipated that there will be some changes in the number of fishermen over that period resulting from a variety of factors including management policies adopted by the Fisheries and Marine Service of Environment Canada.

4. No.

5. (a) See table below. (b) Information not available. (c) Information not available. (d) Information not available.

6. (a) None. (b) None.

Number of fishermen, P.E.I. 1965-75

Year	Full-Time	Part-Time	Occasional	Total
1965	42	2,027	1,497	3,566
1966	38	1,483	1,699	3,220
1967	—	1,627	1,742	2,369
1968	12	1,669	1,620	3,301
1969	10	1,666	1,289	2,965
1970	13	1,716	1,072	2,801
1971	—	1,844	833	2,677
1972	86	1,732	1,392	3,210
1973	32	1,784	320	2,636
1974	30	1,766	814	2,610
1975	—	—	—	—

TAX COLLECTED ON OLD AGE PENSIONS

Question No. 5,008—**Mr. Matte:**

1. What was the amount of federal tax collected from private incomes (a) in Canada (b) in the Province of Quebec during the taxation years (i) 1974 (ii) 1975?

2. What was the amount of tax collected on old age pensions (a) in Canada (b) in the Province of Quebec during the taxation years (i) 1974 (ii) 1975?

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): There are, as yet, no data available on federal tax assessments for the 1975 taxation year. The information for the 1974 taxation year is as follows: 1. The amount of federal tax collected under the Personal Income Tax was: (a) $10,559 million (all Canada). (b) $1,928 million (Province of Quebec).

2. Since under the Canadian tax system, tax is levied on the total income from all sources, it is difficult to provide accurate estimates of the amount of tax paid in respect of any particular income item.

PASSES FOR AIR CANADA AND CNR EMPLOYEES

Question No. 5,009—**Mr. O'Sullivan:**

1. Do employees of Air Canada receive passes which entitle them to reduced fares when travelling aboard Canadian National Railways and, if so (a) under what conditions (b) how many are currently in issue?

2. Do employees of Canadian National Railways receive passes which entitle them to reduced fares when travelling aboard Air Canada and, if not, is the Department of Transport giving consideration to a review of the policy of employee passes for Air Canada and CNR, or urging the companies to review existing policy?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The Management of Canadian National Railways advises as follows: 1. Yes, (a) one trip pass per year after one year's service with Air Canada; 50 per cent reduction on commuter fares after two months' service with Air Canada. (b) During the first quarter of 1976, 411 trip passes and 301 commuter reduced-rate orders were issued.

2. The Management of Air Canada advises as follows: Air Canada provides limited free and reduced-rate transportation for certain Canadian National Railways staff, such as members of the Medical, Law Linguistic Services and Express Departments, who have a close working relationship with the company and whose duties involve them with the airline on a day-to-day basis. During the first quarter of 1976, a total of 518 of these passes were issued. However, any agreement on the unlimited exchange of free and reduced-rate transportation privileges between the airline and the railway requires that an opportunity must exist for reciprocity and for a close balance in the number of passes to be exchanged. Because there is a great discrepancy in the numbers of people employed by the two companies and because the passenger services available are of a different nature, there is little or no possibility of reciprocity and balance. It has therefore been agreed between Air Canada and Canadian National Railways that proposals for the exchange of free and reduced-rate transportation privileges cannot be implemented.

SANITARY INSPECTIONS OF FIFTH FLOOR CAFETERIA—CENTRE BLOCK

Question No. 5,029—**Mr. Cossitt:**

Do health inspectors of the Department of National Health and Welfare make periodic inspections of sanitary conditions and food freshness in the 5th Floor Cafeteria of the Centre Block, Parliament Buildings, and (a) if so (i) how often (ii) on what date was the last such inspection (b) if not, for what reason?

Hon. Marc Lalonde (Minister of National Health and Welfare): Yes. (a)(i) The 5th Floor Cafeteria of the Centre Block, Parliament Buildings, comes under the jurisdiction of the Speaker of the House of Commons. For this reason, health officers of the Department of National Health and Welfare inspect the cafeteria at the request of the Sergeant-at-arms of the House of Commons. (ii) March 17, 1976.

QUAYS 53 AND 54—BEAUPORT FLATS, QUEBEC

Question No. 5,107—**Mr. Forrestall:**

1. On what date was construction of Quays 53 and 54 in the Beauport Flats area of the Port of Quebec completed?

2. What was the total cost for both berths and related back-up land?

3. Did (a) NHB (b) DREE (c) any other department or agency help in financing the two berths and, if so, in what amount?

4. For what purpose were the berths built?

5. Have the berths been used at all since completion and, if so (a) for what purpose (b) how many tons of cargo have been shipped over them?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by the National Harbours Board and the Departments of Public Works and Regional Economic Expansion as follows: 1. January, 1971.

2. $4,635,000.

3. (a) National Harbours Board financing only, in the amount of $4,635,000. (b) No. (c) No.

4. Multi-purpose wharves—dry bulk, liquid bulk, automobiles, containers, wood, metal, etc.

5. Yes. (a) Dry bulk, liquid bulk, automobiles, containers, wood, metal, etc., (b) 3,380,106 tons.

BAY OF FUNDY TIDAL POWER

Question No. 5,152—**Mr. Coates:**

1. Was the Bay of Fundy Tidal Power Review Board the only body associated with the selection of specific consulting firms for the undertaking of certain obligations associated with the work of the Board as a result of the federal-provincial agreement between Ottawa and the Provinces of Nova Scotia and New Brunswick and, if not, what other body or bodies were involved?

2. What is the make-up of (a) the Canadian Atlantic Power Group (b) Tidal Power Consultants Ltd. and, in each case, what are the names of the chief officers of all of the companies involved?

3. (a) Who is Mr. R. L. Walker (b) what is the location of R. L. Walker and Partners (c) what is the full membership of the board of the firm

(d) for what reason were they selected to be involved in the coordination of this project?

4. Was any consideration given to Maritime Resource Management Service of Amherst, Nova Scotia or Atlantic Industrial Research Institute of Halifax, Nova Scotia and, if not, for what reason?

Mr. Maurice Foster (Parliamentary Secretary to Minister of Energy, Mines and Resources): The Department of Energy, Mines and Resources reports as follows: 1. Selection was made by the Management Committee of the Bay of Fundy Tidal Power Review Board with the Board's approval, both of which have been established by the federal-provincial agreement re the current Bay Fundy Tidal study.

2. (a) Canadian Atlantic Power Group is a joint venture of Acres Consulting Services Ltd. (H. C. Rynard, President); Foundation of Canada Engineering Corporation Ltd. (A. Chmielenski, Chairman of the Board; W. Weinstein, President and Director); and Surveyer, Nenniger and Chenevert (C. A. Dagenais, President and Chief Executive; J. P. Goudreau, Vice-President and General Manager).

2. (b) Tidal Power Consultants Ltd.,—Directors are: G. V. Eckenfelder, Vice-President, Montreal Engineering Co.: Colin G. Smallridge, Vice-President, Shawinigan Engineering Co.; Murdo Murchison, Vice-President, Montreal Engineering Co.; John Godsland, Vice-President, Shawinigan Engineering Co.; R. E. Coxon, Managing Director, Electric Power Development Consultants (U.K.) and E. M. Fucik, President, Harza Engineering Co. (U.S.A.).

3. (a) Partner of R. L. Walker and Partners, 65 Bank Street, Ottawa. (b) Given in (a). (c) Other partners are J. H. Diddens, Economist; J. B. Kirch, P. Eng. (d) R. L. Walker was selected because of his qualifications and experience for this type of assignment, and need to initiate activities quickly and comprehensively.

4. Maritime Resource Management Service of Amherst were invited to submit a proposal for the work and failed to respond. Atlantic Industrial Research Institute of Halifax was not considered because that organization had not indicated capabilities in disciplines related to hydroelectric power generation which was considered a prime requirement for such studies.

TROIS-RIVIÈRES AIRPORT

Question No. 5,228—**Mr. Matte:**

1. Has the Department of Transport made any investments at the Trois-Rivières Airport since 1971 and, if so, in what amounts?

2. Can the Airport be used as an emergency airport?

3. How many people have used the Airport since 1971?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): 1. Yes, $20,000.

2. Yes.

3. With the suspension of Air Canada's scheduled services in 1971, passenger data is sparse. Aircraft movement statistics have therefore been used as an indication of the amount of traffic at Trois Rivières. Aircraft Movement Data (Local & Itinerant) 1971, 34,059; 1972, 32,790; 1973, 52,951; 1974, 14,609; 1975, 4,385. (represents itinerant movements only. Local movement statistics not available).

[Mr. Coates.]

OFFICE SPACE—BESSBOROUGH HOTEL

Question No. 5,263—**Mr. Dick:**

1. What is the extent of the office space rented by the Department of Regional Economic Expansion in the Bessborough Hotel in Saskatoon, i.e., how many rooms or offices?

2. How many employees of the Department work in such space?

Mr. Cliff McIsaac (Parliamentary Secretary to Minister of Regional Economic Expansion): The reply for the Department of Regional Economic Expansion is as follows: 1. The Department of Public Works rents the space that the Department of Regional Economic Expansion occupies in the Bessborough Hotel in Saskatoon. It comprises 86 offices or areas laid out as office accommodation.

2. As of April 15, 1976, 97 employees work in this space.

PREPARATION OF ANSWER TO QUESTION 3,267 ON "ORDER PAPER"

Question No. 5,377—**Mr. Cossitt:**

On what date was Question No. 3,267 on the *Order Paper* since October 23, 1975 and concerning a cross Canada trip by the Prime Minister forwarded by the Privy Council Office to the Prime Minister's Office for preparation of an answer (a) what persons forwarded it (b) who received it in the Prime Minister's Office (c) who was assigned in the Prime Minister's Office to prepare the answer and on what date (d) is the answer ready and (i) if so, for how long and for what reason has it not been forthcoming (ii) if not, for what reason?

Hon. Mitchell Sharp (President of the Privy Council): The Government takes responsibility for the answers it provides to questions and for the process involved in replying to such questions. It is not appropriate therefore to provide information about internal administrative arrangements.

PREPARATION OF ANSWER TO QUESTION 3,520 ON "ORDER PAPER"

Question No. 5,378—**Mr. Cossitt:**

On what date was Question No. 3,520 on the *Order Paper* since November 7, 1975 and concerning refusal of the Prime Minister's Office to permit CTV to photograph furnishings in Cabinet Minister's offices forwarded by the Privy Council Office to the Prime Minister's Office for preparation of an answer (a) what persons forwarded it (b) who received it in the Prime Minister's Office (c) who was assigned in the Prime Minister's Office to prepare the answer and on what date (d) is the answer ready and (i) if so, for how long and for what reason has it not been forthcoming (ii) if not, for what reason?

Hon. Mitchell Sharp (President of the Privy Council): The Government takes responsibility for the answers it provides to questions and for the process involved in replying to such questions. It is not appropriate therefore to provide information about internal administrative arrangements.

PREPARATION OF ANSWER TO QUESTION 2,708 ON "ORDER PAPER"

Question No. 5,379—**Mr. Cossitt:**

On what date was Question No. 2,708 on the *Order Paper* since June 11, 1975 and concerning details of a trip by the Prime Minister commencing June 5, 1975 in South Eastern Ontario forwarded by the Privy Council Office to the Prime Minister's Office for preparation of an

answer (a) what persons forwarded it (b) who received it in the Prime Minister's Office (c) who was assigned in the Prime Minister's Office to prepare the answer and on what date (d) is the answer ready and (i) if so, for how long and for what reason has it not been forthcoming (ii) if not, for what reason?

Hon. Mitchell Sharp (President of the Privy Council): The Government takes responsibility for the answers it provides to questions and for the process involved in replying to such questions. It is not appropriate therefore to provide information about internal administrative arrangements.

PREPARATION OF ANSWER TO QUESTION 3,120 ON "ORDER PAPER"

Question No. 5,380—**Mr. Cossitt:**

On what date was Question No. 3,120 on the *Order Paper* since October 14, 1975 and concerning a holiday trip by the Prime Minister to the Northwest Territories during the 1975 summer recess forwarded by the Privy Council Office to the Prime Minister's Office for preparation of an answer (a) what persons forwarded it (b) who received it in the Prime Minister's Office (c) who was assigned in the Prime Minister's Office to prepare the answer and on what date (d) is the answer ready and (i) if so, for how long and for what reason has it not been forthcoming (ii) if not, for what reason?

Hon. Mitchell Sharp (President of the Privy Council): The Government takes responsibility for the answers it provides to questions and for the process involved in replying to such questions. It is not appropriate therefore to provide information about internal administrative arrangements.

PREPARATION OF ANSWER TO QUESTION 3,069 ON "ORDER PAPER"

Question No. 5,382—**Mr. Cossitt:**

On what date was Question No. 3,069 on the *Order Paper* since July 24, 1975 and concerning a trip commencing April 25, 1974 to places in Ontario by the Prime Minister forwarded by the Privy Council Office to the Prime Minister's Office for preparation of an answer (a) what persons forwarded it (b) who received it in the Prime Minister's Office (c) who was assigned in the Prime Minister's Office to prepare the answer and on what date (d) is the answer ready and (i) if so, for how long and for what reason has it not been forthcoming (ii) if not, for what reason?

Hon. Mitchell Sharp (President of the Privy Council): The government takes responsibility for the answers it provides to questions and for the process involved in replying to such questions. It is not appropriate therefore to provide information about internal administrative arrangements.

HABITAT CONFERENCE

Question No. 5,383—**Mr. Horner:**

How much has the government spent to date on Habitat and what is the estimated total expenditure, including security?

Hon. Barney Danson (Minister of State for Urban Affairs): To date, the government has spent approximately twelve million dollars on the Habitat Conference, out of an estimated total expenditure of 15.3 million dollars. This figure includes provision for security.

[*English*]

Mr. Speaker: The questions enumerated by the hon. parliamentary secretary have been answered.

* * *

[*Translation*]

STARRED QUESTION

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would you be so kind as to call starred question No. 5,313?

[*Text*]

*COMPLAINTS AGAINST CANNED PEACHES AND PEARS DUMPING IN CANADA

Question No. 5,313—**Mr. Huntington:**

Did the Department of National Revenue, Customs and Excise, receive complaints in writing during the years 1973, 1974, 1975 or 1976 by or on behalf of producers in Canada of canned peaches and pears respecting the dumping of canned peaches and pears in Canada originating in (a) Australia (b) the United States and, if so (i) what countries were accused of dumping (ii) what are the dates of the complaints (iii) were investigations initiated (iv) on what dates did notice of investigation appear in the Canada Gazette (v) on what dates were investigations started and completed (vi) did the investigations reveal evidence of dumping and material injury or material retardation (vii) was a preliminary determination made by the Deputy Minister of National Revenue for Customs and Excise (viii) was it decided not to initiate investigations?

[*Translation*]

Mr. Claude Lajoie (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, here is the answer: (*a*) In 1973, the Department of National Revenue, Customs and Excise, received written complaints on behalf of Canadian peach and pear canners alleging detrimental dumping of similar goods coming from Australia. (*b*) There was no complaint regarding canned peaches and pears coming from the United States; more particularly: (i) it was contended that Australia was dumping; (ii) the first complaint was made on January, 5, 1973 and was supported by another on January 9, 1973; (iii) no inquiry was initiated and, consequently, questions (iv) and (vii) are not applicable; (iv) as for question (viii), no official inquiry was initiated pursuant to the provisions of subsection 13(1) of the Anti-dumping Act because, during the assessment of the complaint, it was established that at that time, the Australian exporters were not selling under priced canned peaches and pears in Canada. The department and complainants kept in touch about this matter and Australian export prices are checked regularly.

Mr. Speaker: Are the remaining questions allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed, from Tuesday, May 11, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, before the hour of adjournment interrupted my remarks a few days ago I advanced to the House the proposition that I did not consider the question before us at this time as a question of whether we should or should not abolish capital punishment but, rather, a question of whether we should or should not reintroduce some form of capital punishment in our country.

The Solicitor General (Mr. Allmand) has said on many occasions outside this chamber and inside that he will not sign an execution order. In fact, in response to the hon. member for Yukon (Mr. Nielsen), who spoke on the opening night of this debate and who expressed his views about the necessity to retain some form of capital punishment in our country, the Solicitor General screamed across the chamber: "If you want to hang someone, get yourself another boy". In opening my remarks I advanced the proposition that the people of Canada do not have an opportunity to get themselves another "boy" until the government dissolves this parliament, calls another election and carries on a dialogue with the people about that. For that reason, the question of whether we should retain capital punishment is irrelevant until the year 1978, 1979 or whenever the government decides to dissolve parliament and consult the people as to its performance.

Now that I have put the question in the proper perspective, I should like to deal with the main points used by the Solicitor General to demonstrate to the so-called "misguided" 80 per cent to 90 per cent majority of Canadians why they are wrong and the government knows better. First, he articulated a strong case on the element of error involved in the judicial process. During the debate on Bill C-83 the same minister demonstrated the reasons for stricter gun laws by rolling out statistics on criminal acts in which people fell victim to gun-toting murderers. Five people daily are butchered with guns, and while not all victims are law-abiding citizens, they are nevertheless murdered. These figures increase drastically if one takes into account other forms of capital crime which do not include guns but which are murder in the first degree and also punishable by death.

Since the abolition of the death penalty for capital crimes in 1963—because that is when it was abolished; no one has been executed since—only 18 persons have been convicted of murder punishable by death. Of these, 11 are still on death-row waiting for the angels of mercy and the defenders of human dignity to come to their rescue. If one considers that the courts dealt with 829 persons charged with murder punishable by death since 1961, and that only 568 were convicted, 82 received the death sentence and 18 were condemned of which only two were hanged—before the period 1971 to 1973—the margin of error referred to by the minister is extremely slim, if indeed there is a margin at all.

The minister also quoted statistics to support his argument that juries are reluctant to consider guilty verdicts for fear that their action will result in the death sentence. Juries are made up of responsible Canadians from all walks of life, and I assume that this will always be reflected in their judgment. Of course, there is evidence to that effect. After all, we are only dealing with the premeditated, contract killer who has had access to all the avenues of the judicial process and has not received a recommendation for mercy or leniency from any source. The minister argues that a much greater percentage of convictions is achieved against criminals charged with lesser offences. The reason for that could be, of course, that our courts and our jury system provide for a degree of discretion, charity and compassion, and recommendations are often made to apply a lesser charge.

Next, the minister charged that the judicial process is unfair. It is very noteworthy that he said that only the poor are convicted of murder and the rich buy their way out of trouble with money and influence. Is that the reason the government is so reluctant to bring matters which have interrupted the normal proceedings of the House for so long now before a judicial inquiry? Should the government not be responsible for correcting that situation, rather than reacting to it? Do the judges in Canada, who are appointed by politicians, really receive telephone calls from influential people in public life, and do some of them respond favourably to suggestions made to them? This is what the Solicitor General is implying, and I see no clause in this bill or in Bill C-83 which would offer a remedy to that situation.

It is alarming to me, to the people I represent and to all Canadians that this form of government patronage still exists, particularly when dealing with the judiciary.

The other day the Minister of Justice (Mr. Basford) made a statement in Vancouver to which the press throughout the country reacted. One of the major newspapers in my constituency telephoned me and asked for an interview. They wanted a list of the lawyers who represented Central Mortgage and Housing and government agencies in the city of Prince George. I telephoned the managers of these agencies in the city but was told that the list could not be given to me; it was confidential. There really was no problem. I suppose there must be a number of lawyers who support my political cause in the city, but none of them have complained to me. They are kept very busy and they do not get any business from CMHC or IDB.

• (1220)

I told the managers that if the list was secret I had to suspect there was something to hide. I telephoned the minister and he admitted that instructions are given to the managers in the various regions about which legal officers they should use in their business dealings. He was kind enough to send me a list of the solicitors who work exclusively for Central Mortgage and Housing in Prince George. As it happens, one of them was my Liberal opponent in the

last election. He is a good and diligent lawyer, so I have no quarrel with that. Four or five of the lawyers on the list are known Liberal fund-raisers and supporters. This is the kind of thing that Canadians object to in 1976, Mr. Speaker, and the kind of thing that has to be corrected if we are ever to have a greater degree of respect for the political process.

The minister says that civilized society which respects, above all, the human dignity and life of every individual cannot allow itself to consider the cost of enforcing our laws and the incarceration of criminals. I, for one, would applaud that argument if the government could demonstrate to me that this civilized attribute of charity applies equally to the criminal and the victim. It costs the taxpayers of this country up to a quarter of a million dollars to bring to account a person who deliberately challenges the institution which is the guardian of our law and standards of moral conduct. It costs up to $20,000 annually to keep a person incarcerated and isolated from the community. I, for one, cannot applaud that argument. Is it not fair to make a comparison between that and what we as a civilized society afford ourselves in the way of social services?

Are we making restitution to the victims of crime? Do we apply the same degree of generosity to our senior citizens, the handicapped, the socially deprived and the children who in our country go to bed hungry every night? Of course not, Mr. Speaker. Our charitable human instincts only surface when people confront the establishment out of sheer frustration and deprivation. The more violent the confrontation, the more understanding we become.

I cannot help but respond to the letters I get from my constituents who compare the contract killer who has killed a young policeman, with his widow, who is living on a meagre welfare income of $260 per month, trying to bring up two children and provide them with the means of competing in society when they grow up. We must consider what it costs to bring a person to justice and keep him incarcerated. This degree of charity is evident even inside our prisons. The murderer and hardened criminal is interviewed by the press and examined by the "head-shrinker". He receives the attention of every do-gooder who has ever dissected a pickled frog and has discovered he can grow whiskers. The prisoner who is a guest of the taxpayer for just a minor offence and strives to build merit points to support his parole application gets hit over the head with a lead pipe in the ballpark and lives in protective custody without colour television and most of the other essentials of modern-day prison life.

Mr. Speaker, many of my colleagues speak about whether or not capital punishment is a deterrent to murderers. I do not think that is the question which should concern us at all. I do not even think that we need to apply the term "punishment". The only thing we need to consider is the right and responsibility to protect ourselves against those who show wanton disregard for our traditional values, and no respect for human life.

The Solicitor General told me on one occasion, privately, that he actually considers capital punishment an incentive to murder. It would take quite a measure of imagination to think that to a conclusion. He reasons that the murderer has no regard for his own life and that is why he confronts the establishment: therefore, he dares the system, by his violent act, to put him out of his misery or, on the other hand, attach some meaning to his existence—a headline and a picture in the paper on the morning of his execution. The conclusion to this argument is, of course, that if society fails him he must continue to try to get our attention with an even more violent act. I cannot help but wonder in how many cases of the murder of prison guards and policemen this may have been the motive.

Mr. Speaker, I advocate the retention of capital punishment because we cannot condone having the ultimate value of living peaceful and fulfilling lives threatened. We have a right to protect ourselves against subversive and dangerous elements not just from outside our borders but also from within. The Solicitor General is right, execution is final—the condemned murderer will never kill again—and this has nothing to do with revenge or punishment. It has to be viewed as the removal of a cancer which cannot be allowed to exist in a healthy system once it has been identified as incurable.

Many of my colleagues have drawn comparisons between ourselves and countries which have already abolished the supreme penalty. None of their arguments hold water. Invariably they are making these comparisons with countries which have evolved social structures much more advanced than our own. For instance, Belgium—a country which has repeatedly been quoted—can trace the beginning of a cultural evolution back 2,000 years. Unlike our country, all people there are indigenous. The Belgians have two official languages, as we have, but their ethnic groups are not separated by a vast geographical expanse and economic disparities.

Mr. Speaker, what is more important is the fact that in Belgium, as in most other countries which have abolished capital punishment, it was done because the people themselves, not their governments only, were ready to have it abolished—and that is good. In most cases, referendums were held and the behavioural attitudes of their citizens were closely monitored. Superficial comparisons are, for that reason, not fair. One has to make an assessment of the attitude of the people and measure the degree of intellectual maturity of a society with which comparisons are made.

We have in our country today still a small percentage of illiteracy. I know this shocks a lot of people, but unfortunately it is true. In Belgium this has not been a problem for 150 years. This can be demonstrated in other areas as well. Why, for instance, is it that Germany has the lowest rate of labour disputes in the world, whereas we have the highest percentage of man-years lost as a result of industrial strikes and disputes? I suggest the reason is the adversary system to which we adhere in this country but which other countries in part have overcome.

● (1230)

Certainly, this fact alone cannot be attributed to the utter incompetence of the present government, even though it is a key factor. It must be viewed in the light of a fundamentally different approach to work and the work ethic, an approach different from that of our own industrial society. Just as our unions and business managers are not sufficiently mature to consider more advanced methods of labour relations, so 80 per cent of Canadians are not prepared to afford themselves the luxury of trading-off an

element of protection inherent in the imposition of capital punishment against extended prison terms.

One would think, Mr. Speaker, that our government should direct some of its attention to the need to accelerate the evolutionary process of which I spoke. It is also interesting to speculate to what extent the government should get involved in setting the direction in which our own distinctive culture should evolve. Do we wish to assimilate the "good guy-bad guy, happy-ending" society which dominates our neighbour to the south, or should we espouse deeper, more realistic values of human behaviour? These questions would come into play if we concerned ourselves more with preventing crime in the first place instead of only reacting to the effects of criminal acts.

In my opinion, we should examine closely the effects violence on television has or will have on future generations. We should subject our educational system to close scrutiny. Is our teaching process attuned to the contemporary need of our times, or are we offering our young citizens an utopian dream instead of preparing them for the society of today? Certainly, the post-war period, which brought with it modern teaching techniques, did not produce a society which is more rational in its relationship with the rest of the global community. We have not been able to make fundamental changes to the adversary system which dominates, not just our judicial system and industrial relations process but the political process as well.

Indeed, I feel that having less of the adversary system in this very chamber would be a step in the right direction. I feel that our Fathers of Confederation settled more of their differences in a consultative fashion than we are able to do today. The law reform commission made reference to and recognized this fact in its report tabled in the House just a few days ago. We have, as a nation, not become more charitable, nor are we using a more compassionate approach in our dealings with underdeveloped countries. The reason for this is, in part, that our own country is still underdeveloped, not just in an industrial but in a human sense.

Just as we still arm our military personnel with weapons not only of defence but of aggression, just as we still consider it our right, indeed our duty, to defend our country and the interests of our friends against aggression in a territorial as well as a political sense, and just as we are still prepared to kill the aggressor without an evaluation of the innocence or guilt of the individual whose life we are taking, so do we have the responsibility to protect our society from the fear of death inflicted on it by the criminal elements within our borders. I do not say it is right and proper that this should be an ongoing process, but this is the reality of 1976, the reality of the times.

I have the greatest respect for my colleagues who do not agree with me and whose conviction is not altered by political expediency. I, too, wish the world would be a better place to live in, a place without fear of war, hunger and suffering. But, Mr. Speaker, it is not. I, too, wish medical science and the science of human psychology were advanced to the point where remedial action were possible to deal with sick and criminal minds. But it is not.

My colleague, the hon. member for Yukon, our party's critic of the Solicitor General's department, and a retentionist, spoke earlier in the debate about war. He spoke of his own experience as a bomber pilot over enemy territory discharging death and destruction on innocent people. He spoke of the fear he suffered in valuing his own life, and the deterrent the fear of death was to his making another trip. It is no secret to my colleagues that I, as a young boy, was on the receiving end of what was discharged from the aircraft in which my friend was a passenger. What a crazy world this is! Surely it would have been a source of comfort to me then, at the age of 12 when the war ended, to know that Erik, too, was scared—although I do not believe that he was nearly as scared as I was, because I have much grey hair and he still looks much younger than I do. To understand how Erik and I feel about all that today, one would have had to experience what we went through. But it should not be too difficult to understand why we both feel that if it were only possible to identify individuals who cannot be taught to conform with the norms of human justice, such individuals ought to be dealt with before they learn to operate in groups. God only knows what sort of a world we would have today if someone had had the fortitude to deal with Adolf Hitler before his rise to power.

It is true that society as a whole is partly to blame for its mistakes which often result in the dissidence of some of its members. But no society is truly free unless it is prepared to work diligently to correct its mistakes and prevent them from recurring. I also sympathize with the person who would have to make the final decision and put his signature to the execution order if capital punishment were returned. But surely this has to be one of the burdens he must bear if he competes for his mandate and the trust and confidence of the people who elect him to his office.

Today, Mr. Speaker, 80 per cent of people throughout Canada wish to retain some form of capital punishment. The reason is that they feel insecure and cheated by their political leaders who demand one thing of them and do another thing themselves. Canadians have been told too many untruths. They fear that the government is not really serious in its attempts to tighten the judicial process and restore the principle of law and order. The 25-year mandatory sentence provision could be rescinded next year once capital punishment is abolished. That is how some people feel. After all, this very government, in 1974, fought an election of the issue of wage and price controls. It said that we did not need such controls in the free society in which we live. Once the government was elected, it brought these controls in—and some people think the program will not work. People have lost faith and confidence in the group of individuals who sit opposite. They do not think they are really serious about tightening our bail provisions and doing those things which will restore peace, order, security and trust in our system.

The people have lost confidence. Between 85 per cent and 90 per cent of our people are worried. It worries me, as it does the Prime Minister (Mr. Trudeau) and the Solicitor General, that we should be part of a society of so-called barbarians who want to kill people. I, too, would like to abolish capital punishment. But we cannot, because society is threatened and 85 per cent of the people of Canada have lost faith in the system. For that, the government is partly to blame.

The peace and security package is only a charade, as the "just society" was and as the "free vote" the Prime Minis-

ter has promised will be. Most members of the cabinet will not be guided by their conscience or by the direction given to them by their constituents; they will be guided by their political ambitions. Even ambitious Liberal backbenchers will fall in line. There is, however, a provision, and I advance that to my colleagues across the way.

● (1240)

Mr. Caccia: How about your colleagues who will vote for the bill?

Mr. Oberle: You, my friend, will have a chance to speak.

The Acting Speaker (Mr. Turner): Order, please. I suggest that the hon. member address the Chair and get back to the subject of Bill C-84.

Mr. Oberle: With all respect, Mr. Speaker, I do not think that I have departed too far from the text. If the hon. member opposite will live by Your Honour's ruling, I will not be very much longer. I was saying that Liberal backbenchers will also fall in line when the free vote is taken—the free vote promised for Bill C-84 which is the subject under debate. There might, however, be an incentive for some of them to defeat the bill, if for no other reason than the fact that the Solicitor General would have to resign. That would create a vacancy in this shaky cabinet: one of the trained seals across the way might then fall into the slot.

Canadians in all parts of our country will learn, from the results of the final vote on Bill C-84, not only the extent to which our system will protect them from violent criminals, but also the extent to which our present government has removed itself from the popular demands and the will of our citizens.

[*Translation*]

Mr. Armand Caouette (Villeneuve): Mr. Speaker, as far as I can see, today's debate seems to have become some sort of a tradition established by this government. Indeed, I was listening to my colleague, the hon. member for Roberval (Mr. Gauthier) and many others. They had the opportunity to take part in three debates on capital punishment since they received their mandate as representatives of their constituents.

As for me, Mr. Speaker, it is the first opportunity I have to speak on a bill to abolish the death penalty. Since the last debate dates back to 1973 and I was elected at the 1974 general election, I imagine that all hon. members who were able to speak during all those debates must find it utterly ridiculous to keep harping on the same issue. The Canadian people do not elect and pay their member to see him start considering all over again the same old bill without ever coming to a final solution in keeping with the feelings and the wishes of the majority.

Although I did not take part in the previous debates, because, as I said earlier, I was not the member for Villeneuve, I cannot help finding utterly ridiculous the situation in which we find ourselves today, because of the stubbornness and the obvious lack of goodwill and common sense showed by the Solicitor General (Mr. Allmand). One thing is clear: he is consistent. In some people, it may be a quality, but the stubbornness of the Solicitor General of Canada verges on monomania and obsession and he is bent on abolishing capital punishment. Failures do not stop him.

Year after year, election after election, he introduces a bill to abolish the capital punishment. Although he knows full well that most Canadians are against abolition, what does he care. All the members of the House have refused up to now to abolish capital punishment, for it is obvious that the constituents all across Canada will lose faith in their members should they dare go boldly against their wishes. But all that, Mr. Speaker, does not refrain the Solicitor General from coming back once again with yet another bill. It must be recognized that, this time, he was well prepared along with his colleague, the Minister of Justice (Mr. Basford). They are beginning to be called the "Laurel and Hardy" of Parliament, Mr. Speaker. They came along with their peace and security package which is a mixture of thousands of all kind of provisions among which we can find, if we look closely, the abolition of capital punishment.

Why is it that the minister did not come openly and directly with a bill advocating abolition of capital punishment? Why did he feel obliged to devise a colossal joke such as the so-called program on public peace and security instead of simply trying to abolish capital punishment outright? In our opinion, it is merely because the minister knows that the great majority of Canadians are in favour of maintaining capital punishment. Consequently, he is using hypocrite methods and diverted means to impose his will to the people.

Mr. Speaker, is that democracy? The minister's position is shocking. He does not care at all about the opinion of Canadians. It seems to us that the minister is so intelligent that he can decide what is good for everyone, without taking into consideration the views of the people. This is the philosophy that prevailed in the days of the cave-man when the law of the mighty was the law of the land. However, with civilization, we have discovered the concept of democracy which means, in our opinion, that the voice of the majority must determine the course to be followed. The minister does not believe in that. Even when the majority of Canadians, even when most Canadians, believe that the death penalty should be imposed, he himself believes that his views must take precedence and that the death penalty should be abolished.

Mr. Speaker, we cannot have confidence in the Solicitor General now in office, because his credibility has shrunk to 20 below zero. Indeed, if you remember, in 1973, he succeeded in having a legislation passed restricting the death penalty to people killing policemen and prison guards.

● (1250)

This same minister, the Solicitor General (Mr. Allmand) has not even been able to implement his own 1973 legislation up to this day. He has systematically prevented the law from being applied to people who had murdered policemen and prison guards. Today, Mr. Speaker, the same minister is back again. He stands before us as if nothing had happened and he is asking us to have faith in him and to pass this bill he has introduced. I say to him, Mr. Speaker, that if he wants our confidence, he has to show

his mettle first and implement the existing legislation. How can he hope to gain our support when it is a well-known fact that he does not have the guts to implement the laws voted here by the people's representatives?

The Solicitor General announced recently that he would resign, and we cannot even be sure of that. We can no longer believe what he says. Once he asked that we support him on something and then he turned around and did the very opposite. He told us: "We will hang only those who will have murdered policemen or prison guards". And later, this same minister refused to apply the law.

Mr. Speaker, the death penalty issue is much simpler than some would have us believe. As regards our duty as legislators, is is obvious: we must respect the will of the people. The true issue is not to manipulate statistics the way we like. It is well known, and even hon. members opposite know, that figures and statistics can be made to say almost anything.

As far as we are concerned, what must guide us today in this debate is not our personal opinion or that of the Solicitor General but rather that of most Canadians. That is why many times have asked the minister for a referendum and I ask him again today. A referendum should be held on the issue of capital punishment. The government refuses to allow such a referendum in spite of all the representations to that effect from all parts of the country and all groups of citizens. Why do they refuse? Simply because the government has no intention of listening to the majority. I quite agree: there are Liberal members who are willing to listen to the majority of the people they represent, and I congratulate them for it. However, most of them and especially the Solicitor General, know that the vast majority of Canadians want the death penalty reinstated; but they have no intention of respecting the wishes and aspirations of that majority.

The Solicitor General, Mr. Speaker, reminds me of a soldier on parade with his regiment. His mother, standing amidst the crowd, is saying: "Look at my son on parade. Do you see, he is the only one marching in step?" As far as I am concerned, Mr. Speaker, the Solicitor General has the same kind of reasoning. The vast majority of Canadians call for reinstating capital punishment, but the Solicitor General, the only one in authority, says: "I am the one who is right. I am abolishing the death penalty though no one agrees with me". Mr. Speaker, as we say back home, a fellow like that is "bull headed".

I have here, Mr. Speaker, letters that came to me from my riding. As the hon. member will notice, there is quite a pile of them, and I have others in my office. Then, Mr. Speaker, the Solicitor General of Canada may have an idea what reaction his bill is provoking in my riding. It is too bad, Mr. Speaker, that he is not here in the House now. He may not be as blind as he seems to be deaf. He might see that people from Villeneuve—like all Canadians, for that matter—do not agree at all with his attitude when it comes to capital punishment. Mr. Speaker, if I read all the letters I have received, the Solicitor General would undoubtedly be retired, perhaps he would be drawing his old age security pension by the time I got through reading them.

Mr. Speaker, I would simply like to mention that the Federation of the Chambers of Commerce of Abitibi-Témiscamingue, through its chairman Mike Amadio, sent me a letter on May 15 last to ask for a referendum on capital punishment. That is why a few days later I came in the House to advocate a referendum on the matter because, in my opinion, the Chamber of Commerce represents a vast majority of the Canadian people.

Mr. Speaker, I can give you another example. I received a letter concerning capital punishment from one of my constituents. Mr. Wellie Rossignol from Louvicourt, who proposes that members of parliament ask the residents of their ridings to express their opinion on capital punishment. He also suggests—and I find it very clever on his part—that only those who call for the abolition of capital punishment pay themselves for the support of murderers. That way, abolitionists will have to bear the full consequences of their vote. It is not logical that those who agree with capital punishment be obliged to pay for the support of gangsters who are kept alive simply because of those who oppose capital punishment. Logically, Mr. Speaker, those who do not agree with capital punishment should take it upon themselves to pay for keeping murderers alive. Here is another example of letters I receive. This is a questionnaire I sent to all voters in my riding to know about their view on capital punishment. I have received thousands of letters in response to those questions. More than 93 per cent of those who answered have decided in favour of retention of capital punishment. Those figures are clear and, in my opinion, my mandate is clear and is to oppose the passing of this bill. Mr. Speaker, some hon. members make confused speeches, like the one made by the Solicitor General a few weeks ago, to explain that the issue is complicated, that the crime problem will not be solved by resorting to capital punishment and that there is no easy solution. In my opinion, they are wrong.

For any member or minister, the issue of capital punishment should not be complicated. We are not sociologists who split hair or play with statistics to make them say what suits us. No. The member of Parliament has only one way to follow, that is the one indicated by people who have elected him to represent them. Otherwise, there is no democracy. Mr. Speaker, there are and there always will be people who think they are more intelligent than others, people who think they alone possess the truth, people who are always right whereas everybody else is always wrong.

Mr. Speaker, may I call it one o'clock?

[*English*]

The Acting Speaker (Mr. Turner): Order. It being one o'clock, I do now leave the chair until 2 p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

[*Translation*]

Mr. Caouette (Villeneuve): Mr. Speaker, as I said earlier, there will always be people who think they are wiser than others, that they are the only ones to be in step, that they are always right while all others are wrong. Mr. Speaker, they should not sit here in Parliament. Here we represent

the people who elected us and we give a voice to those people who trusted us.

Our duty is to reflect as faithfully as possible the wishes and the expectations of those who rely on us and this is why, Mr. Speaker, the question of capital punishment is simple for a conscientious member of the House. All there is to do is to consult—as several members did—their constituents and act accordingly. Mr. Speaker, in my opinion this is the role of a member of the House. Otherwise, there is no democracy.

We must admit that Parliament allows the Majority of Canadians to have legislation corresponding to their aspirations and wishes. Hon. members who do not agree with their constituents are facing a very simple problem. It is not difficult at all. If in spite of their disagreement with the wishes of their constituents, they are prepared to represent faithfully those clearly expressed wishes, for them, there is no problem either. On the other hand, if the hon. member is unable as a matter of conscience or ideology to act according to the wishes of his constituents, he only has to resign. It is very simple.

Mr. Speaker, I am fed up with those book worms who are trying to alter the basis of the problem by saying that capital punishment retention is a difficult and frightening issue which is not easy to resolve. It might be true as it is not easy to determine from a laboratory or an office by playing with figures if capital punishment can or cannot deter a criminal from committing a sordid crime. For the conscientious member, capital punishment is simple issue. For me, Mr. Speaker, and the people who elected me, the question is the following: Do they want or not the abolition of capital punishment? Sociologists and criminologists can continue to scrutinize statistics and do research to establish if capital punishment really has a deterrent effect.

For us, what is important is not what a sociologist believes or thinks, but what the majority of Canadians think and what they desire and ask. The solicitor general has many friends among sociologists and it is quite normal. He is their best client as he is always commissioning studies on capital punishment, and giving them subsidies of $1,000 here, $1,000 there, no problem. There is an old maxim that says, Mr. Speaker: Tell me who pays you and I'll tell you who you are.

The Solicitor General is the milk cow which feeds those criminologists who do not know what to do with their ten fingers. Do you think that guys like that would take the chance of making the Solicitor General of Canada angry? In my view, Mr. Speaker, these criminologists are not stupid. He is the one who feeds them, who enables them to live and consequently they prepare the reports he wants, reports which supposedly prove beyond any doubt that capital punishment is not a deterrent to crime.

Yes, Mr. Speaker, this is what they say in all these learned studies made at the back of dusty offices, far from reality. Meanwhile, policemen who are in direct contact with criminals are calling for the retention of capital punishment because they believe that criminals would think twice before killing if they know that they forfeit their own lives. Mr. Speaker, like all other hon. members, I received last week a letter from the executive director of the Canadian Association of Chiefs of Police, Mr. Bernard Poirier, in which he says:

> We remain categorically and unequivocally opposed to the abolition of capital punishment.

This testimony has to be taken into account since it comes from our policemen, from people who are responsible for the protection of citizens against criminal activities. I also received a letter from Mr. Brown, Chairman of the Association of Metro Toronto Policemen. In his letter, he emphasizes that members of parliament must respect the will of people who have elected them as their representatives.

And he indicated that according to a survey by their own association, more than 87 per cent of Canadians favour capital punishment. These association presidents and police officers therefore urged that capital punishment be retained. So there we have the views of a responsible individual, familiar with criminals because he has met thousands of them. His business is fighting the murderers who endanger the lives of innocent citizens. He has a different knowledge of these criminals than a criminologist such as Ezzat Fattah, beloved child of the Solicitor General. Fattah is typical of the worst, the most dangerous group in social sciences. As I said, he thinks he knows better than the others, than 90 per cent of Canadians. He decided capital punishment is not an adequate deterrent. Police officers familiar with criminals, the people who want to be protected from those criminals, and every retentionist were wrong. He is that kind of a soldier, as I said, who alone walks in step, and so is the Solicitor General. He is the sort of guy who dares say that legislators should not heed the voice of the people.

This is more or less what that fathead stated in his study titled "Canadians and capital punishment", which was financed by the Solicitor General in person, of course. That guy is dangerous because he does not believe in democracy. He thinks the government should listen to him and not be concerned with what Canadians may think. It is with that kind of guys that people wake up in a dictatorship. They believe they are more intelligent and better qualified than every one else to decide what others should do.

In my name, and in the name of all my colleagues, I protest these insulting and ridiculous statements by Fattah the Fantastic who, in an attempt to give more weight to his criminology paper, does not hesitate to suggest people in favour of retaining capital punishment are less educated than abolitionists. But somewhere else, he states there are now more people in favour of capital punishment than 10 years ago.

● (1410)

Then the question arises whether he means that people are now less educated than they were 10 years ago? This of course is utterly ridiculous. People go to school longer. His statistics are based on a bunch of nonsense, just as Mr. Fattah is. People today have easier access to education than before, and this does not prevent them from favouring capital punishment, in spite of what he says.

Anyway, Mr. Speaker, I know people with PhD's as long and as fat as Mr. Fattah, who cannot even tell the difference between a gun and a murderer. They cannot even tell which one of the two is responsible for the murder. The present Solicitor General also belongs to that category of pseudo intellectuals who believe themselves more intelli-

gent than 90 per cent of Canadians. Fortunately there happens to be some Liberals who are a little more intelligent than he, as they are for capital punishment.

Mr. Speaker, people like that who think they know better are a threat to freedom and democracy. Since we are living in one of the most developed countries on earth, what should matter is liberty and respect for the views of most Canadians. I am sure that Canadian taxpayers would be indignant to hear that their tax money is being squandered by the Solicitor General to pay a fat salary to a guy like Fattah who advocates that the government disregard what the people think. This is the icing on the cake. Not only are we paying taxes, but the money from these taxes is used so that people may tell the government to ignore what Canadians think and want.

This government will not get out of it so easily. The mandate it received in the 1974 elections did not include abolition of capital punishment. Mr. Speaker, I saw the Trudeau Express. I saw the smile of beautiful Margaret, but I never heard the right hon. Prime Minister or one of the government members say during the election campaign that the Liberal party wanted to abolish the death penalty. Yet, the government has now introduced a bill to abolish capital punishment. Despite surveys which show that more than 80 or 90 per cent of Canadians want the death penalty to be maintained, despite the thousands of letters which we receive daily in our offices and in parliamentary offices, to try to make us swallow this bill more easily, the government says that there will be a free vote on the issue.

Mr. Speaker, I want to issue a warning to hon. members who always support blindly their own party. They will have to answer to their voters if they put faithfulness to their party before respect for the wishes of the people they represent or are supposed to represent. As I said earlier, for the members of this House, the issue of the death penalty is not complicated, it is not a moral for a theological or a conscience issue, it is first and foremost a question of respecting one's voters. If the voters, the constituents of a member say that they wish the death penalty to be maintained, the member should vote for the retention of the death penalty. If some members do not understand this, they should not be sitting in this House.

For my part, and I think that this is clear, my fellow citizens of the Villeneuve riding have written to me, and, as I said earlier, I have received thousands of letters from people asking me to oppose firmly the bill introduced by the Solicitor General of Canada, which we are now considering.

If my constituents, as most Canadians, are opposed to the abolition of capital punishment, it is because they are fed up seeing criminals slaughtering with impunity innocent citizens because the law is not severe enough to have a really deterrent effect. Mr. Speaker, these honest citizens, who abide by the laws and who respect their fellow beings, witness horrible and sordid crimes and they know that their children, their spouses could be the next victims of some bloody murder. They also know that, with the death penalty, the murderer can only be a threat to society.

Mr. Speaker, the Solicitor General himself recognized this fact in his report published in March 1975 when he said that it is just as obvious that the death penalty definitely eliminates the threat that an individual can pose to society. Canadians are not blind. They can see that criminals are not afraid of the law. If they kill, they are sent to prison for three, four, five or ten years and then they are let free and can go on working havoc. We know that about 300 horrible crimes have been committed in Canada since last year.

I have here an article published in the February 13, 1976 issue of the *Ottawa Journal*. In this article, it is said that the 19-year-old murderer who killed a 16-year-old gas station operator during an armed robbery asked the police: "Does it really matter even if I killed him? I am 19 years old, even if I am sentenced to life imprisonment, it won't last more than 20 years because life imprisonment in Canada is imprisonment for a maximum of 20 years. And, if I am lucky, I will be freed on parole much before that".

That is what murderers are saying, Mr. Speaker: Why worry? The worst that can happen to me is life imprisonment. Life imprisonment never means more than 20 years, and often less than 10.

Mr. Speaker, Canadians are tired of risking their lives while the same Solicitor General fusses around with philosophy. Canadians want the criminal to put his life on the line. If he takes the life of an innocent, he looses his. Capital punishment opponents often say that life is too valuable for society to execute killers. Those people seem to forget that the lives of the innocent victims are as valuable as those of the assassins. What can we do?

And what can we do to protect and force the killer to put his most valuable asset on the line? That is what justice demands. That is what Canadians demand. That is why, Mr. Speaker, we must take our responsibilities and respect the clearly expressed will of the great majority of our fellow citizens and reinstate capital punishment. When the people have spoken, the government only has to obey. That is the message, Mr. Speaker, I wanted to convey today on behalf of the people of my constituency of Villeneuve.

● (1420)

[*English*]

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, since the start of this debate about 34 speakers have participated in the discussion of the bill before us, and in making a quick calculation I find the breakdown is as follows: one NDP member has spoken, which is somehow a disturbing silence on the part of that party.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): There have been two speakers from this party.

Mr. Caccia: Also, one independent member, 14 Liberals and 13 Conservatives. Of those who have spoken so far, about 12 have spoken in favour of the bill, namely, in support of the abolition of capital punishment, and about 22 have spoken against, namely, in support of retaining capital punishment. I know that several members are undecided on this very important matter, and it is for that reason that those of us who have made up our minds feel it is worth while to participate in this debate.

Those who are against the abolition of capital punishment can be divided into two groups, those who have

strong personal beliefs, and those who follow the results of a questionnaire that has been circulated in their ridings. In the first group, those who are in favour of retaining capital punishment have so far failed to prove that capital punishment is a deterrent. So far in this debate no one has come up with any evidence to prove that. I submit to you, Mr. Speaker, that the onus is on the retentionists because it is they who propose to take a life in return for a murder. I challenge them to come forward with the proof that the penalty is a deterrent or is an effective preventive measure.

This morning, the hon. member for Prince George-Peace River (Mr. Oberle) said, if I understood him correctly, that he considers the question of whether or not the death penalty is a deterrent as irrelevant, that it does not mean anything to him, that it is not part of the consideration which we should include in arriving at a conclusion. Instead, he considers illiteracy as a relevant criterion. I reject that argument because it implies that people with better education are less prone to commit murder. I believe it has to be substantiated by facts before this strange thought is put forward for our consideration. The hon. member for Winnipeg North Centre (Mr. Knowles) has sent me a correction—for which I thank him—saying that so far two NDP members have spoken in this debate and a third one is to come.

The hon. member for Prince George-Peace River went on to say that he considers it more important to deal with the question of the adversary system in labour relations, that if we had less of the adversary system in this chamber it would be a step in the right direction. I invite the hon. member for Prince George-Peace River to speak to his leader and his frontbenchers to see whether they will heed his advice, but I do not think these considerations are relevant to the question whether in Canada, in 1976, we should continue to have the death penalty on our books.

● (1430)

The hon. member for Prince George-Peace River proceeded by saying that really this is not going to be a free vote, and that it will be a kind of alignment of backbenchers on the government side just to vote for the bill because of our personal political ambitions. I should like to draw to his attention that it has already been demonstrated by interventions on the part of hon. members of his own party that there will be a free vote. Frontbenchers and backbenchers of the Conservative party will be voting for this bill, and therefore they will demonstrate with their vote that this is, and was meant to be a free vote—and quite rightly and understandably so.

Before going on, I should like to be allowed to quote from a book written 200 years ago by a man who was born in the same town in which I was born. In 1764 he published a book about crime and punishment, and this passage translates as follows:

> The death penalty cannot be useful, because of the example of barbarity it gives men. If the passions or the necessities of war have taught the shedding of human blood, the laws, moderators of the conduct of men, should not extend the beastly example, which becomes more pernicious since the inflicting of legal death is attended with much study and formality. It seems to me absurd that the laws which are an expression of the public will, which detest and punish homicide, should themselves permit it, and that to deter citizens from murder, they order a public one. Which are the true and most useful laws?

That is the question which Cesare Beccaria asked. He was a writer, philosopher and thinker 200 years ago who put what I just read down in a book. He also argued as follows:

> The objective of the penal system . . . should be to devise penalties only severe enough to achieve the proper purposes of security and order—

I doubt very much if there are many in this chamber who disagree with this conclusion. He went on to say:

> The effectiveness of criminal justice depends largely on the certainty of punishment rather than on its severity. Penalties should be scaled to the importance of the offence.

He continues:

> Beccaria was the first modern writer to advocate the complete abolition of capital punishment and may therefore be regarded as a founder of the abolition movements that have persisted in most civilized nations since his day.

Why have so many countries since then done away with the death penalty? If we look at the western world, who is left amongst the countries which apply the death penalty? To the best of my knowledge, in the western world they are France, Spain and some southern states of the United States, because there that is a provincial responsibility.

If the death penalty were the answer, why is the murder rate higher in some countries where the death penalty is practised than in some countries where it has been abolished? The answer to this question must come from the retentionists, from those who want the death penalty, because, as I said before, the onus is on them to prove that it is a measure which does deter. Perhaps the retentionists, following this intervention, might wish to address themselves to this question.

There is another question. Looking over what has happened in the history of humanity, when the death penalty is involved, who is really affected? Is it the rich, the poor or those somewhere in between? We really have not been able to find, in the records of those who have been executed, cases of people who have had the means to pay for a good defence and all possible means at their disposal to protect their lives. However, there is a long list of people who could be considered the weakest elements in society, who could not afford to do so, who were the victims and who were executed because of lack of a sufficient and adequate defence.

I was intrigued by the intervention of an hon. member a couple of days ago when he said that perhaps, instead of carrying out the death penalty by hanging, we should still have the death penalty but we should have it, as he put it, in a gentle manner. It was not elaborated upon, but one could imagine—if we were to have things that way—that perhaps the person to be executed would find a pill served with his breakfast, discreetly covered by a napkin, and a note saying, "Whenever you are ready, please help yourself. We will take care of the funeral expenses, of course". That is the kind of thinking going on in the minds of some hon. members who feel that we should still have the death penalty, but that we should change the way we are to put it into effect.

I know this is a rhetorical question, but what can be done to bring back the lives of those people who are executed in error? Some people say there are not any, or only very few, but even if there were only one it should be sufficient cause for us to pause and think. However, it is

more than that. The records of Sing-Sing which have been kept since 1890, prove that 12 per cent of the lives which were taken there were taken in error—12 per cent, or 50 people, who afterwards were discovered to have been innocent. Who is going to bring back those lives, I ask hon. members of this chamber who want to retain capital punishment? Obviously, the answer is no one, because it is too late.

I should like to discuss for a moment the kind of punishment in our society which would stand as the one we would consider to be preferable. Which one is more likely to be remembered; in other words, when life is taken or freedom is taken? Let us consider the following situation in which a life is taken. We have all read about it. It is in the early hours of the morning. It is cold and damp. There is a priest following the man to be executed, saying the last prayers. There is the director of the prison, one reporter, a doctor who has to pronounce the man dead once he has been hanged; there is the executioner waiting there, and next to him there is a strong and heavy person. That is the person who is supposed to throw his weight and hang from the legs of the executed person until they are sure he is dead.

Is that the kind of scene we would like to see happening again in Canada? I ask this question seriously. Surely we do not, and the majority of Canadians do not. If the majority of Canadians were to see a scene like this, they would want to do away with that kind of approach.

What kind of punishment is society more likely to remember and to be impressed by as a measure whereby the state is effective and efficient in catching up with those who have committed a crime? That is the case when freedom is taken away. When a man is kept in an institution for 5, 10, 20 or 30 years of his life, he is daily a physical example, of one who has been taken away. All those who live in that region, who drive by, who read the news, know that he has been taken and continues to receive steady punishment. As the hon. member for Vancouver-Kingsway (Mrs. Holt) said the other day, these people rot away in the prisons. Other members have said the same thing. This should be a cause of concern to us because such treatment is not human. But I submit, Mr. Speaker, it is not a reason for supporting the retention of the death penalty in Canada.

● (1440)

The second category that I wish to deal with is all those people who have spoken before me and who are supporters of the death penalty because of questionnaires. When listening to them, I ask myself whether they really believe in making up their minds through means of a questionnaire. It should be remembered that ten years ago Canadian public opinion was in favour of the abolition of the death penalty. Would they have supported that? Suppose that ten years from now Canadian public opinion should swing again in favour of abolition. Where would they stand then? How will they account for the lives taken in the meantime? Will they say, "I go as the wind blows. If it blows from the east, I will vote one way; and if it blows from the west ten years later, I will vote the other way"? Is that the position they will take? I am sure it is not, Mr. Speaker. Are they certain that elected representatives are to be void of ideas on this vital subject? Is that the indication, that they are empty inside and their opinion is formed as the result of a questionnaire? Is that the thesis they put to this House? I doubt it very much.

We all receive letters in the mail which accuse the cabinet of having acted outside the law when it commutes the death penalty. I think it is important in this debate to put on record that cabinet does not act outside the law when it commutes a death sentence. Section 684(1) of the Criminal Code, approved by this parliament, gives the power to cabinet to commute death sentences. This matter has been raised in many public meetings in Davenport and I have received the question, in the form of letters, from many parts of the country as well.

A debate of this kind would not be complete without some remarks devoted to rehabilitation of inmates in our prisons and the prevention of crime in our communities. It seems to me a system of flexibility and of incentives would permit the rehabilitation of the convicted person. The shortcoming that exists in this bill is that the fixed, rigid terms for murder do not offer any ray of hope, even with the best performance and behaviour. The convicted person will have to wait a fixed number of years for release, regardless of the quality of his conduct in the penitentiary. I would ask for the removal of fixed terms in order that those who deserve it may benefit from the rehabilitation process. I hope that this desirable flexibility will be introduced at committee stage, and if not then, at a time when an atmosphere of better understanding prevails.

I was very impressed when I attended a public meeting in St. Jean, Quebec, organized by a group called ARCAD. This group had held public meetings throughout southern Quebec with the intention of bringing together members of the community and prison inmates with the co-operation of the penitentiary service and the Secretary of State. A lot of tough questions are asked at the meetings, and interesting answers are given in an educational process which raises the perception and understanding of all who participate.

Prevention is a subject that deserves a full debate in itself. From what I know, much needs to be done with the young, particularly those growing up in our large cities. Community workers are necessary in cases where guidance and direction are missing. We should be particularly concerned with the growing number of youngsters placed in the care of foster homes. That is not to say that all foster homes do not offer an adequate environment; most probably do. But there remain a certain number of young people who do not receive adequate attention and grow up according to the rules of the street. Eventually they may drift, picking up bad habits and ending up in deep trouble.

Another question we should ask ourselves in this debate is whether, once a person has been convicted and stored away in one of our maximum security penitentiaries, we can really expect, considering the conditions that prevail in most penitentiaries, that he will again become self-reliant and able to function properly after many years of imprisonment. In view of what seems to be going on in our high-security penitentiaries today, I am sure particularly in places like Laval, that the quality of our penitentiary service needs to be improved.

In conclusion, Mr. Speaker, I offer a challenge to members of this House who really believe in the death penalty

to come forward in this debate with the proof and the facts that will support their thesis that society will be better off, better protected, by its retention. The onus is on the members who are advocating the taking of human life by the state in retaliation for murder; it is on those who want the state to reply to a murder with a coldly calculated kill. If members who believe in the death penalty will not come forward with the facts and the information in support of their stand — and so far they have not — they will have failed to demonstrate the validity and the merits of the stand they are taking in the name of the Canadian people.

Mr. Speaker, I am convinced that Canadians can be better protected by means other than the death penalty—by adequate penalties and punishment for murder, for assault, rape and other forms of violence, with better penitentiary services, by improving the rules governing the release of inmates on full parole, day parole and temporary absence, through crime-prevention measures, through improved social services and with the help of youth workers in the community. Hon. members know that the tendency toward crime starts long before the crime takes place. We have to go to the root of the problem, Mr. Speaker—and the death penalty does not!

The bill before us is a step in the right direction, and I support it.

Some hon. Members: Hear, hear!

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, in rising to take part in this debate today I wish to say that I do not do so with any sense of pleasure or elation. I venture to say this feeling is shared by a great many members, if not all, of those taking part. Rather, it is a sense of responsibility that causes many of us to participate in a debate of such importance. I am sure all of us are aware of the fact that Canadians are alarmed at the breakdown in the administration of justice in this country. They are very anxious for something definite and concrete to be done in order to reverse the trends we now find in society.

● (1450)

A short time ago the House considered Bill C-83, which was designed to reduce the incidence of violent crime. Now we are considering the other bill in the package, Bill C-84, which deals with capital punishment. This is the fourth major debate on capital punishment in which I have participated. As I read the speeches made back in 1966, 1967 and 1973, and compare them with the speeches delivered to date in the debate of 1976, I cannot help but wonder what the government has been trying to prove in consistently bringing this matter before the House.

I made the point in my speech of 1973, which my hon. friend for Calgary North (Mr. Woolliams) raised as for back as 1967, that the government is using the capital punishment debate as a diversionary tactic to divert public attention from our economic problems. That is one element I wish to bring to the attention of the House, although I am sure many hon. members are perceptive enough to recognize that fact. The second element I wish to bring to the attention of the House is this: regardless of what we in this House decide about this legislation, and particularly if we reject it, the government will still continue on its present course. This government has made up its mind that no one is going to be executed, and regardless of what parliament says it will have its own way.

The government disregarded the will of parliament in 1966 by introducing a new bill on capital punishment in 1967. It has disregarded the will of parliament since that time by automatically commuting the death sentence of every person convicted of capital murder. When parliament, in 1973, extended the partial ban on capital punishment, the government completely disregarded the will of parliament by procrastination and the postponement of justice. In Canada today we have 11 individuals under sentence of death.

So I say, again, that this debate is a diversionary tactic. Why else would the government pursue a course which permits 100 speakers or so to participate in debate on the issue? What they say will not influence the direction the government is taking. If this bill passes, I imagine nothing will change. It will make it easier for the government to do what it has been doing in the past. If this bill is defeated, the government will continue to act against the intent of the law as it stands until the economic situation reaches a stage some time in the future where the government will need another diversion. Then, without doubt, we shall have another debate on capital punishment—and it could take place as early as next year if this bill is defeated.

I realize, Mr. Speaker, that people are skeptical about the bill. I am skeptical, because it is difficult to be anything but skeptical when we consider the actions and performance of this government. I state that at this moment I am against the abolition of the death penalty and it is my intention to vote against this bill. Nothing I have heard in the three previous debates on this issue or in this debate has made me change my mind. I have listened to all the arguments, including the argument of the Solicitor General (Mr. Allmand), even though he has accused individuals who hold views opposite to his as lacking intelligence, and although he may question our intelligence I can suggest one thing: I know many individuals of the same persuasion as me, but if they were in the position of the Solicitor General and had to implement a law in which they did not believe personally, they would resign. That minister has chosen to ignore the intent of the law, he has talked, in all seriousness about lack of perspective and "stumbling blocks to an intelligent and informed public discussion of the real problem." The latter comment appears on page 13088 of *Hansard* for May 3, 1976.

I suggest, Mr. Speaker, that the Solicitor General himself is lacking in perspective, otherwise he would have resigned long ago because of his views on capital punishment and refusal to carry out the present intent of the law. Furthermore, if the minister wants to talk about stumbling blocks, I say that he and the government are the major stumbling blocks to a reasonable and rational system of justice and administration of justice in this country.

I speak for an area of Canada which has the misfortune to contain possibly as many as 13 penal institutions, including the Matsqui institution in which are housed serious offenders, including a number of those convicted of the crime of murder. I believe that the increase in lawlessness in this country, and particularly the increase in violent crime in my area, dates from the time the former solicitor general stated in the House that from then on the

emphasis of the government would be on the rehabilitation of the criminal, rather than the protecting of society. The minister opposite can quote all the statistics he wants, but he, his predecessor and the government must share the blame for the deterioration in the administration of justice in this country.

I have stated on a number of occasions that I am not against the rehabilitation of the criminal. I believe that this rehabilitation is essential. It should be one of our major responsibilities and prime objectives. But I do not believe that it should be done at the expense of the citizens of this country.

Mr. Caccia: Nobody said that.

Mr. Patterson: I listened intently to the hon. member for Davenport (Mr. Caccia) when he spoke, and I heard his interjection. I suggest that his interjection hardly corresponds with some of the statements which have been made. As I pointed out, the major objective, or the main emphasis, will be the rehabilitation of the criminal rather than the protection of society. If the hon. member challenges my interpretation of the minister's remark, he may look it up for himself.

As we consider the situation in which we find ourselves today, I am sure we shall recognize and acknowledge the fact that rehabilitation is of vital importance. We have been living in a period of permissiveness in society which has shown itself not only in juvenile delinquency but in the lack of ethical conduct on the part of government—I am speaking generally now—which is indicated by charges laid against some in the business community with respect to kickbacks and bribes. It has shown itself in practically every area of our society. You have minor crime and major crime. I believe that this directs our attention to one thing, Mr. Speaker. If we are to solve the problem of crime in Canada, it will have to be done by a redirection of our society. If not, I am afraid the future will be rather bleak, to say the least.

I wish to refer briefly to an article that appeared in the Ottawa *Journal* of Saturday, April 10, 1976, headed "Delinquency Casebooks: 'Sick' Facts", written by *Journal* reporter Ian Haysom. I am sure that all members have read the article so I will not put on the record more than two or three paragraphs. I quote:

● (1500)

A disturbing number of Ottawa teenagers—

We could substitute "Canadian teenagers".

—are dwelling in a world of sex, crime, drugs and violence—and many are encountering deep emotional difficulties as a result, according to social agencies in the city.

Teenage prostitution—sometimes involving girls as young as 13 and 14—is becoming increasingly evident . . . He—

That is referring to a social worker.

—identifies the main problem areas in Ottawa as juvenile prostitution; under-age drinking (and subsequent alcoholism); teenage depression and other psychological problems; promiscuity (leading to venereal disease and unwanted babies, especially among 14 and 15-year olds); crime (especially vandalism and breaking and entering); the emergence of gangs in certain areas of the town; drug-taking and pushing; and a general trend towards teenage violence.

[Mr. Patterson.]

When we consider this in light of the problems we are facing in Canada, the problems do not just concern the teenagers and juveniles. It is a failure on the part of society down through successive generations, the last several generations in any event, to face up to the responsibility in which justice prevails, honesty and uprightness are characteristics to be desired, and righteousness is exalted above the iniquity we see about us.

While believing very strongly in the principle that in the final analysis we, as individuals, are responsible for our own actions and must suffer the penalty for wrongdoing, I do not hesitate to say that in trading off moral and spiritual values for the seeming benefits of crass materialism and secularism, successive generations are providing the climate in which selfishness, disrespect for the rights of others, and naked violence find ready expression. Spiritual laws have been repudiated, the old-fashioned virtues have been replaced by the so-called new morality, and situation ethics have taken the place of the principle of right and wrong. To the extent that this development has been promoted or countenanced by society, we share in the guilt of those whose activities we are now attempting to curb.

Therefore, one of our main responsibilities is the rehabilitation of those who have been caught up in these trends and circumstances. Instead of elevating and challenging our young people to the highest principles and motivations of life, we have allowed them to drift aimlessly, caught up by these influences that are working for the degredation of human society.

I just give that as background to the main issue before us today. I have pointed out that even though we believe it is important and necessary to retain a system for severe penalties and crime, we must recognize that we have a responsibility wherever we can to salvage, assist, and rehabilitate those caught up in these situations.

I should like to briefly comment on the question of deterrence that the minister likes to talk about so much. He and the government claim categorically that the death penalty is not a deterrent to murder.

I would like to put on the record a couple of quotations from a study of "Punishment: its Severity and Certainty", by Bailey and Smith, published in the "Journal of Criminal Law, Criminology and Police Science", December 1972. I quote from page 531 of this study:

The lesson to be learned from capital punishment is not that punishment does not deter, but that the improper and sloppy use of punishment does not deter or rehabilitate.

This of course makes sense to everyone but the government. The government since 1962 has seen fit to ignore the law and not administer capital punishment, and yet when he wants to quote statistics the minister uses the period since then to back up his claim that capital punishment does not deter. This is the folly of the minister's reasoning.

Severity of the punishment is an important element in deterrence theory, but of equal importance is the certainty of the punishment. It is not enough to have a severe penalty like capital punishment on the statute books. The penalty must be used or it is no longer a penalty.

I quote again from the study:

Deterrence theory suggests that the severity and certainty of punishment are additive factors. That is, when punishments are severe and

administered with certainty, maximum deterrence results. Inversely, when punishments are slight and uncertain, deterrence will be minimal. Common sense as well as some evidence, would seem to support these assertions.

Because of time I shall only quote one piece of evidence from a study of crime in the United States in 1968, recorded in the same article:

The average homicide rate of states with low levels of certainty and severity was found to be three times the average for states with high levels of certainty and severity. Eighty-one per cent of the states with both low values of severity and certainty had homicide rates above the nation's average, while only 9 per cent of states high on both severity and certainty had rates above the average.

These facts are very enlightening in view of the many statements the minister and other members of the government have been making on the subject of deterrence. As one last thought on this subject, I would like to point out that we do not hear of many people who would go to the Solicitor General or some police officer and state, "I had intended to kill someone, but I changed my mind when I thought about the punishment."

Several years ago, and this was referred to in some of the previous debates, a man who had been incarcerated for murder and was either on parole or had escaped got into another situation in which the police were involved. When asked why he did not shoot the policeman, he replied that he knew that he could face the death penalty. Regardless of what the minister or anyone else says, there was a deterrent as far as that individual was concerned. We do not know how many others were called upon to make a decision in light of that fact. In reality we do not know how much of a deterrent capital punishment, or any punishment, for that matter, has been. Most people just will not admit, or the occasion will not arise for them to admit, that they have been deterred from committing a crime.

● (1510)

I would recommend the article to which I have referred as good, enlightening reading for the Solicitor General and other members of the government, together with another article published in the journal of the same name in December, 1973, and entitled, "The Impact of Certainty and Severity of Punishment on Levels of Crime in American States: an Extended Analysis," by George Antunes and A. Lee Hunt.

The minister has made much of the so-called provision in this bill which would substitute a mandatory 25-year prison sentence for capital punishment. May I say I do not believe the government has any intention of putting anyone in prison for 25 years. It has no more intention of sending anyone to prison for that length of time than it has of executing anyone should this bill be defeated. I say this because the bill contains at least one great loophole in this respect—I refer to the provision for review of a sentence after 15 years. If any hon. members remain uncommitted after this debate I hope they will look closely into this aspect.

The bill has been publicized as replacing capital punishment with a mandatory 25-year sentence. I submit that this is misleading. The 25 years is really a maximum sentence; in practice it will more likely be 15 years and perhaps something less than 15 years if the government can find a way to make this possible. This provision can be compared with the measure the government introduced in 1967, and again in 1973, when it wanted the unrestricted abolition of capital punishment. To pacify its own backbenchers it attached to these measures a provision for capital punishment in cases where prison guards or policemen were murdered. Mr. Speaker, I do not believe the government had any intention of executing anyone: that provision was attached merely to enable it to get the support of its own members many of whom were opposed to abolition. Similarly, I do not believe the government has any intention of sending anyone to prison for the stated period of 25 years.

I should like to quote from the report of the Law Reform Commission of Canada entitled "Dispositions and Sentences in the Criminal Process." If hon. members have been reading these reports carefully they will understand quite clearly the source from which the government is deriving its ideas. On page 26 we read:

A prison sentence for the purpose of protecting society by separation should not be for more than twenty years.

Elsewhere in the report is an indication that it ought to be a lot less than 20 years, in the opinion of the Commission, so I hope hon. members will not be taken in by this tough talk about 25-year sentences. I would point out that Bill C-83 itself says parole can be considered after 15 years.

In conclusion, may I say that I abhor capital punishment and I abhor murder, but I believe it is necessary for society to maintain the ultimate sanction in order to protect itself. Nevertheless, I am of the opinion that some other method of sanction should be considered in place of the present method. I should like to see a society in which punishment was not necessary, a society in which we did not need jails, and in which people could live in peace. I believe Canada, under the present situation, has gone further away from that goal. It is unfortunate that this should be happening, because until we reach that goal we must live in a society where jails, punishment and, indeed, capital punishment, are necessary facts that face us.

I should like now to refer to two or three letters I have received. I do not intend to read them all, but they were forwarded to me just the other day, together with petitions from my constituents. One of them is directed to me as the member for Fraser Valley East, and to the Minister of Justice (Mr. Basford). It states:

We, citizens of Abbotsford District and Matsqui Municipality, located in the central Fraser Valley of British Columbia, are living in the midst of thirteen penal institutions with an inmate population of approximately 2,500 prisoners. Because of the increasing frequency of violent crimes committed by prisoners who have been granted passes and parole, and by persons released on bail awaiting trial, we believe our personal and public safety is seriously threatened by your present system.

Therefore, we petition the Department of Justice:

(1) to refuse to grant parole or temporary absences to prisoners guilty of murder, rape or drug trafficking.

(2) to refuse to grant such persons bail while awaiting trial.

(3) that these policies be instituted as law throughout Canada and enforced by the Department of Justice.

The other letter is addressed to myself and to the Solicitor General. It is along the same lines but it has to do with capital punishment. The petition reads:

Therefore, we petition the cabinet and the Attorney General's Department that for all persons convicted of murder the death penalty be maintained and enforced within the shortest time possible.

Appended to each of these letters are between 1,500 and 2,000 signatures, indicating the grave concern felt by the people of my own constituency where, as hon. members know, there are some 13 criminal institutions within a small area. Attached to the petitions was a letter from the person who had circulated them. I want to read this letter.

Mr. A. B. Patterson, M.P.,

Dear Sir:

Enclosed herewith are two petitions signed by a large number of residents of this area for presentation to yourself and Hon. Ron Basford, Minister of Justice, and Mr. Warren Allmand, on the following matters:

1. Refuse parole or bail to persons awaiting trial on charges of murder, rape or trafficking.

2. Maintain death penalty for all persons convicted of murder and penalty enforced in shortest possible time.

On March 22nd, Council unanimously passed the following resolution:

MOVED by Alderman (Dr.) K. A. Boulton

SECONDED by Alderman Hougen that we endorse petitions presented for submission to Minister of Justice and Solicitor General.

CARRIED:

Yours very truly,

JOHN K. HOCKING

MUNICIPAL CLERK

I put this on record to show that I am not speaking only from personal conviction when I say I believe we should retain this ultimate sanction so as to make it clear we shall not tolerate cold blooded murder, but that I am speaking on behalf of a great many of my constituents, including those who signed these petitions which are in themselves an indication of the predominance of support for capital punishment which exists across this nation of ours.

● (1520)

Mr. Andy Hogan (Cape Breton-East Richmond): Mr. Speaker, I suppose in a way that this long debate on abolition or retention of the death penalty can tempt any of us to a certain amount of cynicism and boredom. After all, the issue has been debated in so many countries, including our own, so many times that we all despair of throwing any new light on such a complex and emotional question.

The one thing of course that all of us agree on, whether we are abolitionist or retentionist in any form, is a respect and reverence for any human life. No matter where we get this from, whether from an innate moral, natural law, child training and or indoctrination or whatever, there is a paradox in this debate in that, although arguments may be heated, each side assumes a reverence for life and a need for protection of society. These are wanted by all.

The abolitionists generally argue that capital punishment is not an effective deterrent to crime and bring supporting arguments from social science studies, including those done by specialists in the field of criminology, as a sub-branch of sociology or social psychology. They likewise point to the evidence of states in the United States that are retentionist, or abolitionist, or countries of western Europe, to show that capital punishment cannot be proven to have any perceptible effect on the murder rate.

The retentionists generally argue on this point that deterrence can be interpreted in various ways; incidentally on this point so can the opinion polls for which some MP's seem to have an unwarranted adulation. This is especially true of their own made up private opinion polls which, without the use of proper methodology, can be easily abused. The abuses can be done subconsciously through the way questions are stated, the size and nature of the sampling process, and a whole series of pitfalls that are inherent in the process and known to anyone who has done research and methodology studies is sociology or social psychology. It is even so when trained specialists draw up these questionnaires and polls.

These polls can easily be used on such touchy questions as abolition and abortion for a member to escape from his or her responsibility to put their conscience first. I reject the notion completely that we are delegates here of the people. We are their representatives, and when they put us here they presumably did so deciding that our concern, understanding, and judgment would be brought to bear on these issues, not on what pseudo-scientific opinion polls suggest the majority of Canadians want. They, the people, through the ballot box are ultimately our judges.

The retentionists also argue that the threat of execution has an impact not provided by the threat of very long sentences of even life imprisonment. On the other hand, in 1954 Hugh G. Christie, then of Oakalla prison in Burnaby, B.C., told a special parliamentary committee that executions convinced other prisoners that they were hated, whatever their offences.

The retentionists argue that sometimes murderers are known to have broken out of jail, threatening society all over again. They also argue that the economic cost of maintaining society's most antisocial and threatening members is very high. Why should all Canadians have to maintain such a criminal for the rest of his or her life? The abolitionists reply that the judicial system can make mistakes, that once a person has been executed in error the mistake cannot be corrected. They also maintain that there seems to be a good deal of truth that executions deepen and maintain the violent instincts that are obviously predominant in our culture today, as for example in such popular art forms as movies.

I personally think there is a good deal to this argument, even though I consider its expression by some abolitionists as somewhat one-sided. One of the reasons that I am opposed both to abortions and the death penalty is that I think there is a "fall-out" on people's attitudes which tends, subtly but insidiously, to undermine the special regard we have traditionally held for human life in this country.

I also think that there is a good deal of truth for saying, and a considerable amount of systematic studies among criminologists to show, that juries tend to acquit when conviction means execution, whether by hanging or some other means. The retentionists argue that retribution is part and parcel of human nature and of every society. In fact our whole social and legal system is based on it.

The ultimate form of retribution is execution and social anthropologists have found it used in all societies at one time or another. Some retentionists, as every MP knows form his or her mail, point to its acceptability in the Bible, especially in the Old Testament, and they refer us to Genesis 9, verse 6.

Many of the latter are strictly biblical fundamentalists, regardless of what denominations they belong to. They seem either to be unacquainted with, or will not accept, modern Biblical scholarship, and while accepting certain hardcore teachings as fundamental to a Judaeo-Christian concept of life, put much of the scriptures in the cultural context of the times in which they were written. I respect the right of these people to favour the death penalty for premeditated murder. I must say, though, that when some of them use the name of Jesus Christ in support of capital punishment, I see red. If there is anything that all Christians share, and I also include here most Jews as well as Christians, about Christ and his teaching, it is that love, mercy, forgiveness, and compassion are the essence of his life and doctrine.

Granted that we need retribution against murderers for the sake of the safety and cohesiveness of society; that does not argue for the death penalty. I am in favour of the 20 or 25 year imprisonment for premeditated murders, as long as there is judicial review after 15 years and we get some built-in guarantees in the legislation that more of the medical resources of psychiatry, and more and better trained clinical psychologists, are attracted to the prison system by market and other types of incentives.

This decision is a vexing problem for all of us. We have to decide how we will vote in the privacy of our conscience, even if it does not seem to be the popular thing to do now, when pressure groups and opinion polls seem to be trying to persuade us that we should not exercise that precious right but should give in to some vague concept of "collective consciousness" in Canada.

It is obvious to us, Mr. Speaker, that one of the most important duties of government in any society is to protect its citizens against the effects of crime. The only possible reason, as I see it, for a member of parliament to vote for capital punishment would be its proven ability as a protection against murder. I cannot, in my conscience, accept the evidence for this proof as presented by retentionists, and I therefore intend to vote for the abolition of the death penalty in Canada.

● (1530)

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, it has seemed to me that since coming to this Chamber your title, Sir, has an ironic twist, for though it is your duty to preserve order in this Chamber it is we who are the speakers, and we whose duty it is to give voice to the region we represent.

Contrary to public opinion it is not rare that we who are parliamentarians have the opportunity to deal with the synthesis of a wide variety of opinions expressed and even unexpressed, together with our own best judgment, but this is called a "free" vote. I submit, Sir, that every vote is a free vote, for every person here is free, due in part at least to the work of succeeding generations of parliamentarians and our democratic process. We are free to reflect in legislation our best judgment in our time, and in my case with a government which understands what liberalism really means in expressing philosophy.

The statute books of this nation at this time retain a law pertaining to capital punishment implemented in 1967, a law which has been *de facto* abolition. This law states in part that capital punishment is officially and legally suspended except for the murder of a law officer or any prison guard. This law was a product of a time which honestly believed it was on the road to abolition. Like the hon. member for Davenport (Mr. Caccia) we were all confident that our nation would undergo the basic social changes necessary which would make the death penalty unnecessary.

An hon. Member: Then we got a Liberal government.

Mrs. Campagnolo: If the hon. member has a question, Mr. Speaker, I would be pleased to entertain it.

Succeeding governments have commuted these penalties on examination of jury recommendations for mercy or otherwise by Her Majesty's right of clemency. Each time this action was taken by succeeding governments, Mr. Speaker, I submit it was done in the earnest expectation that indeed and at last "just around the corner" a new world, where abolition would be possible, would surely evolve. In my opinion that world, so devoutly desired, has not yet arrived and a decision must now be rendered at last.

The succeeding moratoriums have failed. "All the words have been said"—I quote my dear friend and colleague, the hon. member for Louis-Hébert (Mrs. Morin), from the last debate in 1973, and who would be speaking today if she were here. We have basic changes to make in this world of ours and it is to this that our House should address itself before we can consider abolition of the death penalty as a move toward the security of all Canadians.

The most basic areas of change which I foresee as being paramount to a society in which abolition could be adopted are in parenting, child care, education, the media, and penal reform. I will amplify each of these only briefly, since again I am sure hon. members have heard it all before. For instance we blithely assume that, like the animals of nature, human beings are natural parents. Most are not. Parenting is an untaught art in our society, that unique distillation of love and discipline and example which can create in its best evolution a security for children to grow in knowledge of their place and role and responsibility to civilization as a whole.

Child care in our nation is yet another area largely unlearned. The fostering of children, our own or others, can be a richly rewarding service to humanity. But in our world we find neglect and mistreatment of children. We find adult selfishness intervening in the full development of a child's potential. We find children without rights or hope, and without a future.

Today's education seems stubbornly bent, at worst, on reteaching lessons for a world that is past, or in teaching for a world that is only here today and gone tomorrow. Education is an ongoing flow where one is taught not facts but rather the ability and capacity to constantly learn. In an ever-changing kaleidoscopic world of multi-data, all our citizens have a right to know how to think, to organize their lives, and to remain mentally agile enough to accommodate their lives to an increasingly altered and flexible lifestyle. Without such adaptability human beings are under a strain which is intolerable.

Another needed basic alteration appears self-evident. The media in general, and television in particular, that medium so powerful and all pervading that it can induce a consumer to choose one type of dog food over another, has profoundly changed our lives. But we refuse to come to terms with this fact and with this threat.

I ask members to cast their minds over recent television programs they have observed. Violence, death, and destruction dominate our "entertainment". In one average month on our own CBC there are more numbers viewed in this country than actually occur in the nation in a year. But let us examine those murders more closely. Our home screens portray actors dying quickly, cleanly, and without undue pain. Do hon. members know, let alone young impressionable minds, that television actors must portray violent death without undue anguish, blood, or even without taking too much time in synthetic dying? No wonder our society regards killing as of little lasting importance and believes life is expendable.

Then we look at penal reform. It has been infinitely stated in this debate, and in those that have preceded it, that until this nation is prepared to invest in the rehabilitation process for criminals and violent people in our society we will remain a criminal and violent society. I submit we will be faced, as a result, with taking on the responsibility of deciding the fate of those who so severely transgress our laws as to be non-reformable. Further it must be admitted there are sociopathic personalities who simply cannot distinguish between right and wrong, good and evil and what is acceptable social behaviour. There is no cure for these humans. What is our answer to the problem they represent?

It has been widely stated across our nation that members should vote as their constituents demand. Unfortunately, Mr. Speaker, contrary to I am sure what most constituents believe, on this particular matter constituents do not speak with one voice but with hundreds and thousands of voices. Parliament is being asked to decide. "Make a decision" is the outstanding theme of almost all who have joined in this national debate. Although an overwhelming majority do indeed desire retention of the death penalty it is true, the variations and gradations of the manner of that retention is a veritable babble of contrasts, and there is no consensus or no clearly defined direction. The option members have, is to follow their own judgment.

I would ask constituents everywhere to consider the words of Edmund Burke who stated, "Your representative owes you not his industry only but his judgment and he betrays you instead of serving you if he sacrifices it to your opinion."

In addition to what I consider our social unpreparedness to accept abolition of the death penalty, it is my opinion that it would be both illogical and inconsistent for me to vote for Bill C-84 for the following reasons. I arbitrarily accept that life commences at the moment of conception, a premise which I grant is not universal. In spite of this I endorse our law for therapeutic abortion. This, Mr. Speaker, is the taking of life, and I would refer to my speech in this House on that subject last May 29.

Similarly, although this House has not yet dealt with the ethical-moral problem of the unnatural extension of life by artificial means, and here I must state I consider euthanasia a misnomer although it must suffice as language is imprecise. This so called "life", artificially extended beyond clinical death over a protracted period of time, is abhorrent to me personally, and I believe not in the best interests of our society. If it were me or someone I loved in such extremity, I pray that the artificial "life" would be humanely terminated.

● (1540)

Feeling as I do on these other matters, it is not in accordance with my philosophy and judgment to deny the retention of our current law which should be duly enforced. Indeed in the case of those who so gravely transgress the laws of our society as to take the lives of those assigned by our society to be our protectors, I endorse the retention of the death penalty within the current law of our nation as one of the admittedly imperfect answers in our search for a secure society.

I submit that we are defining the shape of our national character in this debate and, although some of us might not like what we see, I regret that my idealism does not extend to acceptance of this as the moment in time to acknowledge that we have reached a sufficient level of civilization to allow us to abolish the death penalty, even though I am confident that the day will come when basic changes in our society will make such extreme punishment unnecessary.

Mr. Frank Hamilton (Swift Current-Maple Creek): Mr. Speaker, although I intend to speak in favour of retaining the death penalty in Canada at this time, I look forward to the day when it will not be necessary in our country. However, the government must accept the responsibility for the rising demand by the public for retention. Certainty of punishment is the best deterrent to crime we know.

The present laws have just not been enforced in a satisfactory manner—in effect, the government is seen to have shirked its responsibility in this matter. Hon. members have already pointed out that the actual time served in prison by 42 murderers paroled between 1968 and 1974 averaged just over 13 years, and that in 1974 alone over 1,000 temporary absence permits were issued to inmates convicted of capital murder. Surely at this time we would be well advised to retain the death penalty in limited cases of murder rather than to ram this bill through and further diminish respect for the law.

I have the greatest respect for the many constituents who have telephoned and written to me favouring abolition; however, I feel that I represent the apparent majority of my constituents who wish to have the death penalty retained.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I wonder if the hon. member would permit a question.

Mr. Deputy Speaker: This can only be done with the permission of the hon. member because it takes away some of his allotted time. Would the hon. member allow a question?

Mr. Hamilton (Swift Current-Maple Creek): Yes, Mr. Speaker.

Mr. Dionne (Northumberland-Miramichi): I thank the hon. member. I want to preface my question with the

remark that I respect whichever position he holds on this contentious issue. I would like to ask him a simple question. Since this is to be a free vote, how can he state in the House, without at least smiling, that anyone is trying to ram the bill through the House?

Mr. Hamilton (Swift Current-Maple Creek): Mr. Speaker, I do not consider that all of us will be allowed to have a free vote in the House. We will on this side, but I have my doubts about the other side.

The Solicitor General (Mr. Allmand) misses the whole point about the trust delegated by the Canadian people to elected representatives. Those who put themselves forward for positions of civic responsibility cannot opt out of that responsibility by claiming it is too heavy for them. We are placed here in Canada to manage our day to day affairs, and short of divine intervention we must uphold our laws.

To say that there is not the slightest guarantee that by executing murderers violence will be decreased, is to beg the question. There may be cases where the knowledge that a murderer, if caught, would forfeit his life, far from having a deterrent effect might have the reverse effect.

Yet there are others—as, for instance, armed men or hunted criminals, not yet guilty of murder, threatening to kill hostages unless their outrageous demands are met. The knowledge that their own lives would be forfeited for certain if they carried out their criminal threat would be far more likely to induce them to avoid committing such a crime. Terrorists are ready enough to risk their lives in taking those of others, so long as they themselves have a sporting chance of surviving. But it takes an exceptional man to act in such a way as to condemn himself to death.

It seems to me that we have to keep the death penalty for certain kinds of crimes. We now have in our federal prisons people who have committed more than one murder, and there is no further punishment that can be meted out. In effect these people have a licence to murder. Take another case of a man who is threatened with life imprisonment for a crime he has already committed. What reason has he not to kill the arresting officer in an attempt to escape? His punishment would be the same. In short, there are many cases where the death penalty is the only penalty available that could possibly deter.

Anyone who takes another's life should know that he thereby forsakes his own and does not just suffer the inconvenience of being put into prison for some time.

Life imprisonment now really means anything, but even if it meant real life imprisonment its deterrent effect would never be as great as that of the death penalty. It is because it is irrevocable that it is the one people fear most, and because it is feared most it is the one most likely to deter. We have all read reviews, such as the one recently printed in the American *Economic Review*, which state that over the period between 1933 and 1969 an additional execution per year may have resulted, on the average, in seven or eight fewer murders.

If you assume the evidence for the deterrent effect of the death penalty is not clear, you face two risks. The first one is that if you impose the death penalty and it does not have an additional deterrent effect, you have possibly lost the life of a convicted murderer without adding the deterrent and thereby sparing future victims. The second risk is that if you fail to execute the convicted murderer and execution would have an additional deterrent effect, you have failed to spare the lives of a number of future victims. Between these two risks I would much rather execute the convicted murderer than risk the lives of innocent people who could have been saved.

Our system of punishment is based not just on deterrence but also on what is called justice, namely, that we feel a man who has committed a crime must be punished in proportion to the seriousness of the crime, and since the crime that takes life is irrevocable, so must be the punishment. Once we make it clear to a person that if he deprives someone else of life he will suffer only minor inconvenience, we have cheapened human life, and we are at that point today.

We hear the argument that the death penalty is legalized murder because it inflicts on the criminal the same situation he has inflicted on his victim, yet most punishments are designed to inflict on the criminal what he inflicted on the victim. The difference between the punishment and the crime is that one is a legal measure and the other is not. As for the brutalizing effect, I think that people are more brutalized by their daily TV fare, and probably are more brutalized by our failure to punish brutal acts seriously.

There is no question that there will be a demand for discipline in penal matters. Some of the shocking murders in Canada of late may well make it impossible for the government to hold out against the demand for restoration of capital punishment. I am sure the change in the trend of opinion is there for everyone to see. Even convinced abolitionists are changing their minds, and have come to believe that terrorism is a type of crime for which death cannot be a deterrent available to one side only. There is a strong public reaction present which must precede any general restoration of discipline in our society.

● (1550)

Surely the purpose of criminal justice should be the protection of society, rehabilitation of the offender, and compensation for the victim. Our present system of criminal justice is dominated by the treatment approach, the idea that criminals can be rehabilitated and thus prevented from returning to crime. That is a basic notion of the government, and it is under strong attack.

Our correctional system is not working. Present methods have little effect on the tendency of criminals to return to jail. The basic elements of our probation and parole system were both designed years ago, primarily to handle what we would now really consider mild criminal types. However, we are now dumping serious criminals into this system. We now have a set up operated on the principle that some young fellow with a master's degree in social work can actually treat 75 or more hard bitten convicts over the telephone, or during a half hour interview per month.

No wonder people think it is a farce. What they really do is force convicts to be fakes. Convicts know they must prove to the Parole Board that they are trying to improve themselves if they are to get out. They figure if they have to take a reading course, or physiotherapy, or get up in group counselling, or denounce themselves, or anything else, they will do it. They want out.

Capital Punishment

Of course we all know that it is far better to prevent crime than to put people in jail after they have committed a criminal act. Therefore the main thrust of our society should be in the area of crime prevention. We must appreciate that the most effective and essential tool in crime prevention is to reduce people's leaning toward crime, and to develop a stronger national disposition toward observance of the law. This approach must start from the grass roots level. Every institution in our society has a responsibility to bring its influence to bear on this problem, including the home, the church, the school, the media, and all institutions which instil, build, and fortify character and self-discipline.

Without going over all the arguments, perhaps we could look at one reason behind the existence of capital punishment. The historical reason for the death penalty is that in earlier days it was the only way in which the state, that is, our organized society, was able to prevent the perpetual and self-perpetuating orgy of killing. The state took over from the injured individual the avenging of a relative's murder, and imposed the sentence of death itself on the murderer. No longer could the relatives or friends of the murdered man avenge his death by themselves committing murder, but in return for abstaining from doing so the Crown or state assumed the responsibility for seeing that justice was done, and of course the result was that there was a great decrease in the number of private killings.

The abolitionist claims that capital punishment is not a deterrent to would-be murderers. This is an empty argument and completely beside the point. There is no way to determine how many murders were not committed by those who wanted to commit the act but did not through fear of execution.

The question should be, does the supreme crime demand the supreme penalty? In effect, do we place the highest possible value on the life of the victim? There have been some grim pictures brought to mind in this debate about the condemned man going to say his last prayers before execution, and so on. All I can say in reply is that his victim seldom has a chance to say his last prayers.

The abolitionist movement, which has grown so strong in recent years, is not based on any moral grounds, regardless of its claims to the contrary. It is propagated mainly by those who feel that it is somehow the fault of society that men are criminals and that therefore they should not be held fully responsible for their actions. I do not think we should allow capital murder to be passed off as the sin of someone's environment. What I hope to see in our country is people striving to expand the moral factor of our society and relying less and less on excessive regulation.

Mr. Gus MacFarlane (Hamilton Mountain): Mr. Speaker, I want to say that I have complete respect for the opinions on all sides of the House, regardless of which side of the question they support. This is the first time I shall have spoken on this issue, but I have listened very carefully to those who are possibly of a different frame of mind, and I must say that in the first instance I had two speeches prepared because I tried to listen to both sides. Fortunately, I have been able to prepare a third, and since it is almost four o'clock I would appreciate it if I could call it four o'clock and reserve my time so that hon. members might at least hear my speech in its entirety and so that there can be some continuity.

[Mr. Hamilton (Swift Current-Maple Creek).]

Mr. Nowlan: I would have finished my speech by four o'clock.

Mr. Deputy Speaker: I am sure hon. members will agree and give consent, and by next Monday perhaps the hon. member will have made up his mind on which speech he will make.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I point out that he has until Tuesday to make up his mind.

Mr. Deputy Speaker: Is it agreed that we call it four o'clock?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being four o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions.

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, through the usual channels we have agreed that—

Mr. Knowles (Winnipeg North Centre): Where is the hon. member for Vaudreuil (Mr. Herbert)?

Mr. Blais: I understand that the hon. member for Vaudreuil was persuaded by the latest argument I presented. The agreement is that we will deal with notice of motion No. 45 standing in the name of the hon. member for Halifax-East Hants (Mr. McCleave), listed at page 60 of Monday's order paper.

Mr. Paproski: That is agreed, Mr. Speaker.

Mr. Deputy Speaker: Is it agreed that we stand all notices of motions appearing before No. 45 which is in the name of the hon. member for Halifax-East Hants, and proceed with No. 45?

Some hon. Members: Agreed.

Mr. Deputy Speaker: I suppose that includes the hon. member for Vaudreuil (Mr. Herbert) who is waiting for the report of the Standing Committee on Procedure and Organization. By consent we will proceed to motion No. 45.

PRIVATE MEMBERS' MOTIONS

[*English*]

HIGHWAYS

SUGGESTED COST-SHARING IN SHUBENACADIE RIVER CROSSING AND HALIFAX TRAFFIC TUNNEL, NOVA SCOTIA

Mr. Robert McCleave (Halifax-East Hants) moved:

That, in the opinion of this House, the government should consider entering into the necessary agreements with the other levels of govern-

ment concerned to (a) cost share in construction of a crossing over the Shubenacadie River and in completion of other missing links in the Fundy Trail (b) share in guaranteeing the financing of a toll traffic tunnel under the Northwest Arm in Halifax.

He said: Mr. Speaker, I must say that probably this motion should have been seconded by both the hon. member for Dartmouth-Halifax East (Mr. Forrestall) and the hon. member for Annapolis Valley (Mr. Nowlan) because while the hon. member for Halifax-East Hants (myself) will not be running next time in a constituency quite as large as that which includes the Northwest Arm bridge, the hon. member for Annapolis Valley will probably be running at least at one end of the Shubenacadie River crossing.

I shall begin by dealing with both matters. If I may I will devote ten minutes to each, and hopefully my seatmate, who comes from a part of British Columbia, will remind me with dispatch when I have reached the end of 10 minutes so that I can turn to the other matter.

First I shall refer to the Shubenacadie River crossing. When I first became involved with East Hants which, by the way, started out life in this parliament with representation by the Hon. Joseph Howe, I timidly ventured into its waters and was told that we should not concern ourselves with the perhaps larger issues which were involved with the tidal power which could be developed in the Bay of Fundy. I think we should be concerned—and that is probably the royal "we"—about the crossing between Truro and Windsor on the Shubenacadie River. I fought three elections in my constituency, perhaps not brilliantly but with some success, and I promised the people that I would raise this as a major issue. I have kept that promise, Mr. Speaker.

● (1600)

There has been an earlier debate in this parliament about the possibility of federal participation in providing a crossing on the Shubenacadie River. Such a crossing would complete the transportation link through the south-northwestern part of Nova Scotia connecting the town of Truro with the Annapolis Valley. That was my view when I first represented the area in 1968 and I have not had reason to change my mind.

Even without resort to all the statistics and studies available to us, it seems very obvious to me that East Hants can best be served by a crossing over the Shubenacadie River. It would serve to open up an area that was famous in the days of old wooden ships and iron men, and the whole history of Atlantic Canada. It goes back that far, Mr. Speaker, but it also has very real importance in the present day.

I make no apology for raising the issue again, Mr. Speaker. It has been brought up two or three times in the past eight or nine years, and even then maybe I could have brought it up oftener. I have the satisfaction, however, of having prompted an hour of debate some years back when members from Atlantic Canada raised their voices in support of my motion.

There are several reasons why there should be a crossing over the Shubenacadie River, Mr. Speaker. It is an integral part of the Fundy trail proposed by the Department of Public Works. Many Americans visit this part of our country and want to travel right around the Bay of Fundy. At the present time they have to start near the port of Saint John, then go through Albert country, through Cumberland County, and by some magic means get to Yarmouth, Nova Scotia. The missing link is the problem of crossing the Shubenacadie River, and that is my first point, Mr. Speaker.

Some hon. members may ask why the federal government should be interested in a bridge or a causeway or a tunnel to circumvent the river. Mr. Speaker, the federal government has paid substantial sums of money to make river crossings possible for Montreal and for Vancouver. That being the case, surely the same can be done for Maitland, Nova Scotia, or Shubenacadie, Nova Scotia; or Truro, Nova Scotia. If anything is to be built surely it should be approved by the federal government. I am sure the hon. member for Dartmouth-Halifax East would agree that the concept of the Fundy trail has been approved. The issue has been argued in this House by the former member for Saint John-Lancaster, Mr. Bell, and by the hon. member for Cumberland-Colchester North (Mr. Coates), the hon. member for Dartmouth-Halifax East, and myself.

As you and I know, Mr. Speaker, lots are drawn to determine the allocation of time for private members' business. When I drew number 45 I thought it would be next year before I had a chance to present my motion to the House. The government decided that the session should keep going, however, and all of a sudden my motion was called. Not only that but I think it was called on four occasions when I was not here. In that regard I want to apologize to and for the hon. member for Restigouche (Mr. Harquail) who has waited patiently, with a great long speech prepared, to take part in the debate. Unfortunately he had to be out of town today and asked me to convey his apologies to you, Sir. I hope when the matter comes up again we will both be able to congratulate somebody for having built the crossing over the Shubenacadie River.

Mr. Patterson: That is the first lesson; now give us the next ten minutes.

Mr. McCleave: Mr. Speaker, my genial seatmate is familiar with both the old and the new testaments; he knows when a message should be broken off and the new message begun.

This I think will be my last chance to speak in this Chamber on behalf of the people interested in the Shubenacadie River crossing. They have given me much encouragement and I know that in the future they will be incorporated in another constituency. I wish them well, Mr. Speaker, and wish that I had been able to do more for them in this matter. When I instituted the debate on the subject two years ago I thought I had proved, brilliantly and beyond all reasonable doubt, that a crossing of some sort would make a great deal of difference to western Nova Scotia.

My seatmate reminds me again, Mr. Speaker, that I said I would divide my remarks into two parts. I will now proceed to the matter of a crossing under instead of over the Northwest Arm in Halifax.

As you may have gathered, my constituency is rather large. Part of it includes a portion of the old city of Halifax; a rather large portion includes the new city of

Halifax, the spill down the southeastern part of the Northwest Arm in Halifax. At one time the member of parliament could come here from Halifax to try to explain the situation in terms of wartime conditions, but that is no longer possible in the modern House of Commons. I shall therefore try to address myself to conditions and circumstances as they exist nowadays when making my plea for this particular venture.

● (1610)

My colleague from Dartmouth-Halifax East and I have shared the responsibility of representing all of that growing area since 1968. Since then, after the revision of powers, so to speak, we have gone our separate ways.

I think my colleague will agree with me that if Halifax is to be made a viable city, one of the major areas for action must be in the field of transportation. The most obvious need in the city of Halifax, as I see it, is to provide some kind of transportation link between the downtown core of old Halifax, which represents perhaps 80,000 people, and the outer part on the other side of the Northwest Arm, which represents perhaps up to 40,000 people. That corridor at least should lead to growth.

We know that the central parts of old cities rarely grow much after they have finished their initial growth. The inner core tends to stabilize in size. As I said, I think about ten years ago in the House of Commons, one of the crazy facts of life of the area is that for every person who enters the downtown area, one person must leave. That is still a fact of life. Actually the cartoonist working for the *Chronicle-Herald* or *Mail-Star* back in those times drew a cartoon showing a baby being carried out by the stork while a car was entering the city. These conditions still hold true. I leave this matter to more competent commentators, including the urban affairs critic on my side of the House and the minister in charge of urban affairs—

Mr. Knowles (Winnipeg North Centre): The Minister of State for Urban Affairs (Mr. Danson).

Mr. McCleave: Yes, who is the hon. member for York North. In any event, I have digressed. I was trying to argue that there should be some kind of crossing which will help the development of the city of Halifax reach its maximum potential. The old Halifax existed on a peninsula. One of the classic problems to do with old Halifax was peoples difficulty in getting to work. One could go by way of what we call the Armdale rotary. A short-term solution advanced by many, including the former member representing this area of Halifax who is a colleague of mine, involved specific traffic controls and traffic lights, which can control traffic using the Armdale rotary. I thought it was an excellent short-term solution, and an awful lot of money was spent on that idea. But the long-term solution must come with the building of another exit out of the city of Halifax.

I do not think all traffic should come off one corner of a boot, as it were, and the traffic pattern there resembles a boot. I do not know if hon. members can imagine traffic streaming forth on either side at the end of the boot; or else the traffic can go off by bridges which radiate out from the instep of the boot. But we are stuck with this situation in Halifax. We must do something in order to siphon traffic off in a different direction altogether; otherwise the city will be paralyzed, and the people mortified.

I wish to propose a solution. I know it is not endorsed by the present administration in Halifax, and not endorsed by the columnist who is the be all and end all when it comes to suggesting things which should be done in Halifax. I will make my proposal now, because I may not be here as the representative of the people of the area another time. I think it would be good if we could spend money to develop Halifax from its end, to the northwest. I think the link should go under, rather than over or on the Northwest Arm of Halifax. It would be tragic to build a great bridge across the Northwest Arm of Halifax, one of the most beautful areas I have seen in the world. It is residential and has no great commercial mix. I realize others can say the same about their own constituencies. I suggest that we could make mistakes, architectural or otherwise, and they should be buried underground.

Let me say this in my final minute or two. About five years ago the Government of Canada was good enough to pledge itself to providing a $25 million fund for what was called the Metropolitan Area Growth Investment Company. But to this day the Metropolitan Area Growth Investment Company has not provided jobs for many people, except those who are trying to find out what the hell the damned thing can do—pardon my vulgarity, Mr. Speaker.

May I suggest that the company use the $25 million to build a nice tunnel under the Northwest Arm of Halifax, which at least would have the virtue of allowing people to travel from one point to another. Possibly the company could charge for the use of the tunnel, and the money collected could repay the Metropolitan Area Growth Investment Company. That way the Metropolitan Area Growth Investment Company will probably be around to haunt the future hon. member for Halifax-East Hants or whoever dares to represent that constituency 150 years from now.

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, knowing that I shall speak against the hon. member's motion, much though I admire the hon. member, I hesitate to rise and speak in this debate. But I do not admire the motion and therefore oppose it.

Mr. Forrestall: Why is the hon. member involving himself in the debate? This is a local Halifax matter.

Mr. Dionne (Northumberland-Miramichi): I wish to speak on both parts of the motion, Mr. Speaker. From the point of view of regional economic expansion the fact is that the activities of DREE in Nova Scotia, as in all other Atlantic Provinces with the exception of Prince Edward Island, are carried out largely in accordance with a General Development Agreement with the province. The General Development Agreement with Nova Scotia was signed on September 12, 1974. Its purpose is to facilitate joint federal/provincial co-operation in initiatives for the economic and socio-economic development of Nova Scotia in pursuit of certain broad objectives and in accordance with a strategy for development answered to the General Development Agreement. This strategy provides the framework within

which DREE operates. It is subject to review, of course, and does not preclude other joint or separate actions. Nevertheless, at this early stage of the implementation of the General Development Agreement, the bulk of DREE actions is directed toward implementing the strategy originally set forth.

● (1620)

The specific sectorial and geographic approaches mentioned in the GDA strategy include certain development aspects, as such, of the Halifax/Dartmouth metropolitan area; the development of the economic and social opportunities of the tourism-recreation and related sectors; and more generally, the funding of infrastructure required to support identified development opportunities.

Thus the General Development Agreement is an enabling agreement. Under it, individual sub-agreements are negotiated which will permit a comprehensive or package approach to the solution of specific development constraints or problems. However, isolated infrastructure projects are not undertaken simply for their own sake. They are supported only in pursuit of some broader development opportunity. Through negotiation with the provincial government, the federal government tried to develop an approach which will enhance the entire economic development of an area or a province. This is carried out through the signing of the special sub-agreements I referred to a moment ago.

Accordingly, as a matter of principle, the two specific actions covered by the motion would be considered by DREE only within the context of their relevance to a comprehensive development approach, whether sectorial or geographic. Thus far these projects have not been isolated, either by the provincial government or in DREE's own analytical work, as being sufficiently high priority to warrant immediate further attention. Now let us look specifically at the proposal in the hon. member's motion.

DREE, in co-operation with other federal agencies, including the Canadian government office of tourism, is now in the process of working with the province of Nova Scotia to develop a mechanism for federal/provincial co-operation in tourism.

Tourism is an important economic factor in the province. In 1974, for example, the estimated expenditure by visitors during the tourist season was approximately $76 million, yielding some $13.5 million in tax revenue.

The over-all goal of a tourism development program should be to improve the quality of life of Nova Scotia residents, not only economically but socially and environmentally as well. In this regard the tourist industry can add not only dollars to the economy but also make Nova Scotia a good place in which to work and live, which indeed it now is. Industrial and other development is enhanced by a healthy and agreeable environment which provides recreational possibilities for people. Such a situation is becoming increasingly important on this continent.

The nearness to a large population market, an abundance of historic attractions, the attractive resource base of the province compared to the deterioration of the environment elsewhere, add strength to Nova Scotia's ability to attract even greater numbers of visitors in the future.

Federal-Provincial Cost-Sharing

Much effort has gone into the promotional aspects of tourism, resulting in yearly increases of approximately 5 per cent in the numbers of tourists entering the province. More attention must be paid to the development aspect which can increase the economic impact through longer stays and higher dollars per day expenditures.

The non-economic aspects of tourism are difficult, if not impossible to measure quantitatively. Yet they cannot be ignored. There is evidence throughout the world, more particularly in Europe, the United Kingdom, and the United States, that concentration on the economics of tourism to the exclusion of other considerations can lead to environmental deterioration, with negative effects on the quality of life and a consequential backlash of public opinion. Nova Scotia is not immune from this danger, and already there have been public expressions of concern about it by individuals and groups.

Consequently in pursuing the developmental opportunities inherent in tourism, Nova Scotia's basic general aim is to exploit the economic potential of the industry to the fullest extent consistent with the preservation and ultimately the enhancement of a social, cultural, and physical environment that traditionally has been attractive to residents and visitors alike.

Considerable background work has already been done by the province. The provincial strategy provides for the concept of tourism travelways which are being established by utilized already-established trails, extending and rerouting some of them, and designating new ones. The Fundy Trail was originally proposed as a trail extending from Yarmouth, Nova Scotia, to St. Stephen, New Brunswick.

In establishing a route for the proposed Fundy Vocation Trail, field investigations were conducted to determine the extent to which the location of existing highways was considered to be suitable and the locations where new construction would be required. Factors taken into consideration included the proximity of existing highways to the shoreline, scenery available along existing highways as compared with that available with relocation of the highway, and the extent to which the proposed trail would serve local traffic as well as tourist and other through traffic.

Based on the selected route and design standards, the estimated cost to establish the 887 mile-long Fundy Vacation Trail is as follows: Phase one, $37,700,000; Phase 2, $12 million; Phase 3, $16,800,000; Phase 4, $39,500,000; for a total of $106 million.

The Shubenacadie River crossing and completion of other links in the Fundy Trail in Nova Scotia are part of the Glooscap Trail. From the New Brunswick border the Glooscap Trail goes to Minudie and Joggins, and with the comletion of highways upgrading will proceed along the coast to Apple River, Parrsboro, Five Islands, and via the Shubenacadie River crossing will follow the Noel shore and terminate at Blomidon.

The provincial department of highways has work in progress on sections of highway between Apple River and Joggins and hope eventually to upgrade all sections of the Glooscap Trail. It has also started work on the substructure of the Shubenacadie River crossing. The total cost of this structure is estimated to be in the order of $7 million

and plans call for cast-in-place concrete construction having a clear centre span of 700 feet and a total length of approximately 1,450 feet. Construction time is estimated to take 18 months.

While it is quite possible the province may wish to pursue the possibility of DREE assistance toward these projects in the future, we have not been requested to share the cost of their construction.

Let me now turn to financing of a toll traffic tunnel under the Northwest Arm in Halifax. Under the special areas and highways legislation, consideration assistance was provided to the Halifax/Dartmouth area as a special area requiring special measures to facilitate economic expansion and social adjustment. Under this program financial assistance was made available to the metropolitan area, by way of grants and loans, for specific infrastructure projects such as roads, water and sewer systems, schools, etc. required to make this key centre more attractive as a site for future industrial and population growth. Much of this work was identified through the efforts of the metropolitan area planning committee whose task was to formulate a Halifax/Dartmouth regional development plan.

One of the objectives of this plan was "to create an effective regional transportation system, including an efficient highway system and the development of an effective transit system which will provide a viable alternative to the use of the private automobile". A task force under the metropolitan area planning committee was established to develop a total plan for urban transportation. Various possibilities were considered during the preparation of this plan. Initial studies projecting the current trend of population growth and development indicated excessive transportation costs by 1991. A third harbour crossing south of the existing two spans at an estimated cost of $100 million was a necessity. It was agreed, therefore, that a careful selection of the areas to be permitted to develop must be made. To this end, an urban form known as Scenario No. 14 was agreed upon.

● (1630)

The outstanding features of this scenario are that the expensive third harbour crossing is eliminated, the required size of the Northwest Arm crossing is eliminated, the required size of the Northwest Arm crossing was reduced to four lanes, and the necessity for an expressway through the central business district was removed. Road requirements increased slightly along the less expensive land routes such as the Bi-Centennial Highway. To achieve this urban form there must be a careful selection of the areas that are permitted to develop. The Bedford/Sackville and Cole Harbour areas are to be first priority residential, with the Burnside area of north Dartmouth between these two population centres to be commercial and industrial.

The south mainland Halifax area or Spryfield was second priority residential with in-fill only for the short term. The regional plan incorporating Scenario No. 14 was approved by the province in April, 1975. To facilitate traffic movement from this area to peninsula Halifax, the provincial department of highways is constructing Northwest Arm Drive between Spryfield and Bi-Centennial Drive. Completion of this highway, coupled with the improvement under way at the Armdale rotary will improve traffic flows to peninsula Halifax and to other points via the new Dunbrack Street which is also under construction at the present time.

A general feasibility study of Halifax peninsula access carried out under the DREE special areas agreement in 1972 noted that the early construction of the Northwest Arm crossing introduces a high cost project which in the short term is then under-used and causes a significant and undesirable shift in route usage within the area of the isthmus. The "back-lag" or feeder route connections should be constructed first, with the Northwest Arm link scheduled for approximately 1981. Concurrent with the initial phase road construction would be extensive up-grading of the public transportation system with consideration being given to a "buses only" lane on the Arm crossing.

Various studies directly related to this Northwest Arm link have been carried out. One in the early 1960's made reference to a tunnel being a satisfactory solution to the physical impediment imposed by the Northwest Arm. No detailed investigation, to my knowledge, was pursued at that time, probably because of the obvious topographical constraints imposed by unfavourable land contours adjacent to the Arm. Since that time, with the construction of the Halifax Container Pier the feasibility of a tunnel is even more remote. The solution recommended in more recent studies of the problem suggests an aesthetically pleasing bridge structure as the most appropriate alternative. Costs of such a structure would be in the order of $15 million. In view of the recommendations of the approved regional plan, I am not aware that the province intends to proceed with any crossing over the Northwest Arm nor have I any reason to believe that it is a very high provincial priority for cost-sharing at this time.

The motion before us and its source surprise me somewhat, for two reasons, Mr. Speaker. We on this side of the House are constantly being lectured by the Tories for intruding into provincial jurisdictions. Yet they are constantly putting forward motions such as the one before us which would involve even greater intrusion into the provincial domain. Indeed it was only this morning that the Leader of the Opposition (Mr. Clark) was waxing indignantly, if not very knowledgeably, about that very topic.

Second, the opposition is constantly decrying the increase in federal spending. But its members have no hesitation in putting forward proposals to increase spending further. They would then be the first to condemn the government if it did just that.

Finally, while I can understand the hon. member's desire for such a development I personally cannot lend my support to this type of glamour project at a time when the basic transportation needs of the entire Atlantic area have yet to be fulfilled.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I notice that at least one continuing Nova Scotian still wishes to speak in this debate, so this Nova Scotia descendant will not cut into his time. However, I would like to commend the hon. member for Halifax-East Hants (Mr. McCleave) for putting this motion before the House. It is, of course, worded in the way such motions must be worded, that is to say, it expresses the opinion of the House

that the government should give consideration to the advisability of carrying out the projects set out in the resolution, and even after the details given us by the hon. member for Northumberland-Miramichi (Mr. Dionne) it still seems to me that the two ideas which have been put forward ought to be considered. I refer to the Shubenacadie crossing and to the idea of a tunnel under the Northwest Arm rather than a bridge above it.

It seems to me that the government is committed to two principles which support the position taken by the hon. member for Halifax-East Hants. It set up a Department of Regional Economic Expansion, and in doing so it has taken the position that we should do something at the federal level to get rid of regional disparities, at least to some extent, and I therefore support the assistance for an area like the province of Nova Scotia.

The other principle the government favoured strongly in the month of June, 1974, was greater concern about the quality of life in our cities. To the extent that the hon. member's second proposal aims at doing something about the traffic problems in the great city of Halifax, I think it should be considered. I recognize, and in this I agree with the hon. member across the way, that we cannot decide this afternoon which of various proposals would be the best, but I believe the two proposals set out in this motion should receive consideration and support. With these words, I yield to the continuing Nova Scotian.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, in the twilight hours of this parliamentary week it gives me a great deal of pleasure to take part in this private members' debate on the bill put forward by my good friend and colleague, the hon. member for Halifax-East Hants (Mr. McCleave). For the benefit of members who are not altogether aware of what this bill is doing, may I point out that earlier, opening the debate, my hon. friend said the bill was divided in two between the Shubenacadie River crossing and the Westarm tunnel.

Mr. Knowles (Winnipeg North Centre): It is not a bill; it is a resolution.

● (1640)

Mr. Nowlan: In view of the fact that the resolution, as it has to be according to parliamentary form, is in resolution form, I am not going to take much of the time of the House talking about the Northwest Arm tunnel because that has been gone into and explained at very good length. But I am going to talk about the Shubenacadie River crossing and in particular hopefully answer, in a most constructive, reasonable, logical way, two of the complaints raised by the parliamentary secretary, the hon. member for Northumberland-Miramichi (Mr. Dionne).

Before I get into the content of the resolution I would commend the hon. member for Halifax-East Hants, who has been trying, not during this time of government restraint but ever since 1968 when he sat in this House as the member for Halifax-East Hants, by question and/or resolution, to get the federal government to move on something that, Mr. Speaker, has always been as perpetual as those tides that sweep in and sweep out of the Bay of Fundy.

My riding takes in a good part of the Bay of Fundy, Mr. Speaker, and the tides that sweep in and sweep out with 55 foot crests are just about equal to the promises that have been made on the Shubenacadie River crossing by members in this House on the government side.

I agree with my hon. friend from Northumberland-Miramichi that obviously this is a joint federal-provincial matter. The premier of Nova Scotia, a former constituent of mine from the county of Hants, which would be so well helped and advanced by a Shubenacadie River crossing, more than two years ago promised that tenders would be called, and most likely tenders have been called this year.

We on this side of the House, Mr. Speaker, know that whether we have times of restraint or whether we have times of expansion it takes a lot of hard, detailed, dogmatic, determined work by any member to try to focus the government's attention on something that seems to be so remote from this lovely capital of this lovely country. I agree Nova Scotia is miles away. For any of you who do not understand what is going on, just put out your left hand and extend your thumb, pretend your thumb is a sort of a joint to New Brunswick and that the curvature between the thumb and the forefinger is the Bay of Fundy. The Fundy Trail comes across the isthmus, the neck that joins Nova Scotia with New Brunswick, goes around the curve of the thumb and up the forefinger.

Because there is no Shubenacadie River crossing, for those of you here who are married, who were liberated many years ago and wear wedding rings, just project the path you now have to take. You cannot follow the Bay of Fundy—taking the inside of the angle of your thumb and forefinger—and see the beautiful scenery and go through some of the lovely villages along that shore without a Shubenacadie crossing at a certain point of the river. You have in effect to go up to your wedding ring where you have some fingers with little inlets. They do not run quite that way, but one of those inlets is the Shubenacadie River. Therefore you have to make such a diversion and take such a detour that the whole concept of the Fundy Trail is almost forgotten. You have to wend your way way inland, and then finally come back to the Bay of Fundy.

That is one of the reasons why this has been such a constructive, concrete proposal that has been advanced by my hon. friend. With all respect to my very fine colleague from Northumberland-Miramachi, the eminent parliamentary secretary of a department that needs much eminence, by the way, obviously this matter is in the provincial domain. An integrated effort is required by DREE and/or federal Public Works, along with the department in Nova Scotia.

The parliamentary secretary talks about spending restraints today. Separate and apart from the tourist potential that a Shubenacadie River crossing would give to western Nova Scotia—and my riding is western Nova Scotia—it would be of fundamental help to the economy of western Nova Scotia to get that crossing in place, so that traffic that comes from New Brunswick and central Canada into Nova Scotia does not have to take this wide detour almost across Nova Scotia and then double back to start servicing parts of western Nova Scotia.

Certainly we on this side of the House appreciate restraint. At this hour on a Friday no one is going to be in a

very partisan mood and I am not going to talk about the reasonableness and efficacy of the estimates of this government. But my hon. colleague, in checking with Nova Scotia and/or this government after all the years since 1968, still cannot find one little grain of sand of an estimate, in the federal estimates or the provincial estimates, to show that there is some planning, some surveying, some core taking, to get the structure started, let alone to complete the crossing.

The tourist industry, Mr. Speaker, quite logically is one of the industries in Nova Scotia which must be helped. I am not one of those Nova Scotians who believe that we can have the Pittsburghs in Nova Scotia. I believe that we have to develop an industrial base that is compatible with the area.

In western Nova Scotia we have agriculture and I think the type of industrial development we have there has to be related to our agricultural potential. We make mistakes when we try to transplant on barren soil some kind of industrial technique that is not complementary to the surrounding countryside or complementary to the labour force we have there. But tourism in Nova Scotia and the Fundy Trail are very much a potential that I think should be developed, and should receive the favourable attention of this House. As I have already said, Mr. Speaker, we could alleviate some of the bottlenecks in transportation that are along the Fundy shore by the initial workings.

I am certainly not the one who is going to talk out my colleague's bill. Because the parliamentary secretary has already intervened, I know there is not likely to be objection on the other side of the House. The mood of the House on this lovely May afternoon—

Mr. Dionne (Northumberland-Miramichi): It's raining outside, Pat.

Mr. Nowlan: —is such that we might just take one little step forward, so that people in Nova Scotia and certainly western Nova Scotia would finally appreciate that Ottawa and hopefully those in Halifax are at least starting work on something that can be such benefit to western Nova Scotia.

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I must say that I welcome an opportunity this afternoon to participate in this particular discussion, first of all because of the nature of the hon. gentleman who moved the motion. I take his suggestions and his arguments very seriously. I think we always regard the comments that he makes and the motions he puts forward with seriousness, and we always examine the very worthy ideas that he presents to the House.

I am also pleased to have the benefit of the comments of the other members who have participated, the hon. member for Annapolis Valley (Mr. Nowlan) who has just taken his seat and who adds in a colourful way to the discussion, and my hon. friend from Northumberland-Miramichi (Mr. Dionne), who earlier in a very learned and detailed way put on the record certain of the aspects of this particular problem with which the federal government is concerned, particularly in relation to the work and terms of reference of the Department of Regional Economic Expansion.

In all of the measures we have talked about this afternoon I think we can boil the discussion down to one of economics and developmental opportunities. The economy of Nova Scotia is generally a diversified one amongst its major sectors, and I think it is fair to say that some progress toward the reduction of disparity has been made in recent years. Of course we all know there is a great deal more to be done in the Atlantic region, in Nova Scotia and in other parts of the country, to continue working upon that challenge of economic disparity in Canada.

● (1650)

Measures indeed are under way, by this government and in conjunction with other governments, provincial and local across the country, to ensure continuous progress and indeed acceleration of improvements as they relate to economic opportunities in all parts of Canada, and toward the elimination so far as is possible in this land of the economic disparities which exist between regions. The measures, and I think it is useful to bear them in mind in any discussion of this kind, include encouraging the expansion or maintenance of viable long-term employment opportunities and optimum quality of life, within Nova Scotia in this particular case, increasing the earned incomes of the people of the province, and assisting in development of a dynamic and creative provincial economy which will encourage the growth and stability of economic activity in the province.

I know that the hon. gentleman who moved the motion this afternoon who is from Annapolis Valley, the Parliamentary Secretary to the Minister of National Defence, the former Nova Scotian from Winnipeg North Centre, and others share those general objectives, so I hope hon. members will not take what is said perhaps specifically in terms of opposition to any individual idea as opposition to any of the general principles that are involved, because certainly that general opposition is not intended.

I think the specific measures to which I have referred briefly could be described as broad, general objectives which have the co-operation of the federal, provincial and municipal governments jointly pursuing a consistent and co-ordinated course of action involving specific sectoral and geographic approaches. This I think was the gist of the argument that was presented to the House earlier today by my friend from Northumberland-Miramichi, that is, the need to approach the developmental challenges in any particular region of the country in a co-ordinated, consistent and co-operative way so that the actions of one level of government or the projects of one particular area of government do not act in competition to or in conflict with the work being undertaken by another area of government.

The areas of developmental opportunity really are numerous. I think I would like to take a moment of the time of the House to highlight them. I think of the development of new or expanded employment opportunities throughout the province by the identification and implementation of appropriate developmental opportunities; the design and implementation of urban and rural developmental measures required to support and really

promote economic and socio-economic opportunities as they are found to exist; the development in the Atlantic region of the resource industries of fishing obviously, agriculture, forestry, and mining through measures to improve their efficiency, productivity and optimim resource utilization, including intensified research and the further processing of their primary products. Then there is the development, specifically as my friend from Northumberland-Miramichi said, of the Halifax-Dartmouth metropolitan area with special emphasis on high technology industries, communication, distribution, and transportation related industries, and a wide range of business and personnel services consistent with its evolution as a major business and service centre.

Next we have the continued growth of the primary and secondary processing of imported and domestic raw and semi-finished materials in the Strait of Canso area, including such industries that may be associated with or in any way dependent upon its existing base of petroleum refining and related services and secondary industries. We have the fostering of economic and social opportunities associated with tourism and recreation and other related sectors. This is a very relevant factor in connection with at least the Fundy Trail part of the proposal in the motion today. There is a provision of special interim assistance required to eliminate impediments which might threaten the retention and maintenance of otherwise viable opportunities and industries. Further, Mr. Speaker, there is the development of spin-off opportunities related to the supply, service, exploration, extraction, and distribution of off-shore oil and gas.

What I have tried to provide to the House is a partial list. The list could go on, but I have provided at least a partial list of some of the fundamental concerns and developmental opportunities in the Atlantic region, particularly in the province of Nova Scotia, which present to a provincial government, to municipalities, and to the Government of Canada a range of opportunities for action.

Of course the challenge or really the dilemma before any government, either at the provincial level or at the senior level, is really sorting out among all those authorities what really can be acted upon in an urgent sort of way, what has priority attention, and really what must be left in terms of priority for a later time and for further consideration. At the present moment in time I believe it is fair to say that both in the assessment of the provincial administration and in the view of the various involved agencies of the Government of Canada, a number of other areas of challenge and opportunity really must at this stage have a higher priority than the two specific programs which are mentioned in the motion before us this afternoon.

As you will know, Mr. Speaker, the Department of Regional Economic Expansion has signed three subsidiary agreements with the province of Nova Scotia under the provisions of the General Development Agreement which generally covers the province. Taken together they call for the Department of Regional Economic Expansion to spend a total of $104 million on developmental schemes. For the information of the House, Mr. Speaker, these agreements include the metropolitan Halifax-Dartmouth area developmental agreement, the Strait of Canso area development agreement, and the Canada-Nova Scotia subsidiary agreement on mineral development.

I could take some considerable time to run through the various aspects of these programs which are extremely important because they demonstrate a concern at both the federal and provincial level for the developmental and economic challenges and opportunities that are present in the Atlantic area. I think it would be useful for the House to have that detailed kind of explanation on the record because it is an encouraging one, one which looks toward the future and really holds out some substantial optimism and encouragement for the developmental prospects of the Atlantic region, particularly the province of Nova Scotia. Unfortunately time does not permit.

If I may, Mr. Speaker, I would like to devote a brief word or two to the question of transportation per se, I suppose most particularly on the Fundy Trail aspect of the motion before us. We of course have not had in the past a generally co-ordinated suggestion, argument or proposal from the Atlantic provinces about a general program of highway or road improvement as we have had for example, in the case of some of the western provinces. Indeed in the west we have a comprehensive strengthening program for highways in the western provinces. Recently of course we have had the benefit of some views presented by the four Atlantic ministers of transportation or highways as they presented to the Government of Canada a detailed report, which report presently is under study by officials of the Ministry of Transport.

I hope the analysis of that report will lead to some constructive and positive conclusions which will be of benefit to the province of Nova Scotia, particularly the area which the hon. member has so dedicatedly worked for over the past many years in connection with the proposal now before the House.

Mr. Knowles (Winnipeg North Centre): Question.

Some hon. Members: Question.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but the hour appointed for the consideration of private members' business has expired. It being five o'clock this House stands adjourned until next Monday at 2 p.m.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, May 17, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

EXTERNAL AFFAIRS

CONDEMNATION OF RECOGNITION OF PALESTINIAN LIBERATION ORGANIZATION—SUGGESTED DEBATE ON FOREIGN AFFAIRS—MOTION UNDER S.O. 43

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I rise under the provisions of Standing Order 43 to raise a matter of urgent and pressing necessity. I move, seconded by the hon. member for Edmonton Centre (Mr. Paproski):

That this House expresses its strong condemnation of the government's decision announced by the Secretary of State for External Affairs, and contemptuously of parliament in that it was made outside the House, of the recognition by Canada of the Palestine Liberation Organization, which cannot but be harmful to the State of Israel and to world peace, it having been made clear by the Prime Minister of Israel last Thursday that Israel will not negotiate with the Palestine Liberation Organization, as he said: 'its prime aim is to strangle the Jewish state. They want the destruction of the State of Israel. It is the essence of their philosophy and policy.'

And further, that the practice, followed by three prime ministers who held office before the present Prime Minister, of making provision on government days for debate of international affairs in each session be restored, in place of the practice of the past eight years of having foreign affairs virtually undiscussed in the House, as if action on the major subject of survival of mankind and peace itself was a monopoly privilege of the Prime Minister, the minister and cabinet.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. Pursuant to Standing Order 43 such a motion can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

NATIONAL ARTS CENTRE

PROPOSED REVIEW OF INCREASE IN PARKING FEE—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave to present a motion under Standing Order 43. A short while ago the parking fee at the National Arts Centre for evening performances was $1. This was raised to $1.25, but because making change slowed down the egress of cars, the charge has been raised to $2 an increase of 100 per cent over what it was a short time ago. Believing that the Anti-Inflation Board is concerned about price increases and not just wage increases, I move, seconded by the hon. member for Grenville-Carleton (Mr. Baker):—

Some hon. Members: Oh, oh!

● (1410)

Mr. Knowles (Winnipeg North Centre):

That this House calls on the Anti-Inflation Board to review and roll back the 100 per cent increase in the amount charged by the National Arts Centre for underground parking during evening performances.

Mr. Speaker: Order, please. Such a motion can only be presented to the House with its unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

SPORTS

CONGRATULATIONS TO MONTREAL CANADIENS FOR WINNING STANLEY CUP—MOTION UNDER S.O. 43

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, pursuant to Standing Order 43, I request the unanimous consent of the House to present a motion dealing with a matter of national and international significance.

In view of the outstanding victory of the Canadiens who once again last night won the Stanley Cup, I move, seconded by the hon. member for Saint-Hyacinthe (Mr. Wagner):

That congratulations be sent to the management, coach and the players of the Canadiens for their well-deserved success and the brilliant way in which they have contributed to the international reputation of Canada in a field where their renown has become proverbial.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under Standing Order 43, this motion requires unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Mr. Speaker: Since the House agrees unanimously, I shall put the motion. Seconded by the hon. member for Saint-Hyacinthe (Mr. Wagner) the hon. member for Hochelaga (Mr. Lavoie) moves:

That congratulations be sent to the management, coach and players of the Canadiens for their well-deserved success and the brilliant way in which they have contributed to the international reputation of Canada in a field where their renown has become proverbial.

Does it please the House to adopt the motion?

Some hon. Members: Agreed.

Motion agreed to.

* * *

MANPOWER

PROPOSED REVISION OF EMPLOYMENT PROGRAM FOR YOUNG PEOPLE—MOTION UNDER S.O. 43

Mr. André Fortin (Lotbinière): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity.

In light of the high rate of unemployment and recent statistical data to the effect that unemployment is highest in Quebec, affecting mostly young people from 18 to 30 years, I move, seconded by the hon. member for Abitibi (Mr. Laprise):

That this House urge the government to revise immediately full range of employment programs, particularly those affecting people of 18 to 30 years of age.

Mr. Speaker: Order. The House has heard the hon. member's motion. Such a motion moved pursuant to Standing Order 43 requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There not being unanimous consent, the motion may not be put.

ORAL QUESTION PERIOD

[*English*]

NATIONAL DEFENCE

LOCKHEED CONTRACT—POSITION OF CANADIAN BANKS ON FINANCING—LEGALITY OF PROPOSED CONTRACT—POSSIBLE CONSIDERATION OF ALTERNATIVE

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is for the Minister of National Defence. Could he confirm to the House that at least one of Canada's major banks has withdrawn its participation from the financing of the LRPA contract and that others now are, to put it mildly, soft on the deal and also that the current scheme on which the minister's own personal position and reputation in this House is very much at stake—

Some hon. Members: Oh, oh!

Mr. Clark: —is in fact collapsing around him?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I can—

An hon. Member: Yes or no.

Mr. Richardson: —confirm to the House that the decision the government of Canada made last November to purchase 18 long-range patrol aircraft from the Lockheed Company has not been changed. I expect to make a full announcement and statement in the House tomorrow.

[Mr. Speaker.]

Mr. Clark: Mr. Speaker, it is curious that the minister is drawn to make statements on matters that have not changed. I wonder if he can tell the House whether one of the major chartered banks has in fact withdrawn from any participation—has let the government know it will not participate in any financing of the LRPA contract. Will he also tell the House whether the government's legal advisers in the Department of Justice have convinced the minister or his colleagues that the contract the government is proposing to sign with Lockheed does not meet the legal and administrative requirements of the government? If so, will he tell the House now or tomorrow what changes he is proposing in the contract to bring it within the legal requirements of the government?

Mr. Richardson: Mr. Speaker, the contract is still in escrow. I will reply to that question, in fact, to all other questions, when I make the statement tomorrow.

Mr. Clark: A supplementary question, Mr. Speaker. My understanding is that we now have a commitment from the minister that his statement tomorrow will include information as to the position of banks in the country relative to this matter, and will include also an indication of the information given to the minister by the legal officers of the Crown relative to the original administrative proposal which was made. I would now ask the minister if he can tell us whether he and his colleagues are actively considering now some other practical alternatives, to ensure that Canada's armed forces obtain the new long-range patrol aircraft which we so urgently require, in case the Lockheed matter does not proceed?

Mr. Richardson: Mr. Speaker, I am pleased to hear the support of the Leader of the Opposition for the Canadian Armed Forces.

Some hon. Members: Hear, hear!

Mr. Richardson: I think the House will be well pleased by the statement, when it is made tomorrow.

Mr. Paproski: Are you going to resign, Chrétien?

ALLEGED PLAN TO CO-OPERATE WITH AUSTRALIA IN BUYING MILITARY EQUIPMENT—GOVERNMENT POSITION

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my supplementary question is for the Minister of National Defence. Is the minister considering an alternative which will enable him to repair one of his broken promises, as stated in *Flight International* of September 27, 1973. According to that publication:

The Canadian Minister for National Defence, Mr. James Richardson, has formally announced that Canada and Australia have agreed to co-operate in buying long-range patrol aircraft and other military equipment. It could save both countries millions of dollars said the minister . . .

Would the minister now consider saving these millions of dollars by re-opening that alternative?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I am not familiar with that statement. We did at one time have discussions with the Australians concerning the possibility of joining together for a purchase, but those discussions between the two countries have long since been abandoned.

LOCKHEED CONTRACT—REQUEST FOR DEBATE OF ANY GOVERNMENT GUARANTEE OF LOAN

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, in the absence of the Prime Minister may I direct my supplementary question to the President of the Treasury Board? Would the President of the Treasury Board assure the House that any guarantee to the Canadian banks or to Lockheed concerning the LRPA loan or loans, which are on the face of it on behalf of the Government of Canada, will be subject to debate and approval by the House of Commons, in compliance with the Financial Administration Act?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, when the announcement to be made tomorrow by the Minister of National Defence is known, I hope that the hon. member will have a satisfying answer.

[*English*]

LOCKHEED CONTRACT—SUGGESTION UNITED STATES BANKS HAVE FIRST CLAIM ON COMPANY'S ASSETS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is for the Minister of National Defence as well. It concerns the Lockheed deal but is not related to an announcement confirming a deal of some sort, which I take it the minister made some minutes ago and will elaborate on tomorrow. My question is this: Would the minister or his officials confirm that if the Lockheed Corporation goes belly-up in the U.S., the first claimants on the more than $600 million it owes will be the 24 U.S. banks in the United States it now owes money to?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, we have, as we have indicated on a number of occasions, assurances from the United States government which will be tabled tomorrow with my statement.

Mr. Knowles (Winnipeg North Centre): That was a belly-up answer.

Mr. Broadbent: The answer, indeed, was belly-up. Is the minister saying that part of the package which he will announce tomorrow will contain assurances by the U.S. government about the economic viability of Lockheed Corporation?

Mr. Richardson: That is what I said, Mr. Speaker.

LOCKHEED CONTRACT—ADVICE OF JUSTICE DEPARTMENT ON WHETHER GOVERNMENT OWED ANYTHING PRIOR TO SIGNING OF $16 MILLION CONTRACT

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, may I direct a final supplementary question to the Minister of Justice? Can the Minister of Justice now answer a question put to him previously? As I recall, he said he would look into it. Just before the Government of Canada signed the contract last month committing ourselves to giving some $16 million to the Lockheed Corporation, no matter what happened, can he tell us if he had his officials look into any commitments, which may have existed prior to the signing of that commitment last month? Would we have owed Lockheed any money at all if we had not signed that commitment a month ago?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, the Minister of National Defence and the Minister of Supply and Services have throughout been supplied with legal advice as to their possible positions in this matter.

* * *

● (1420)

AIR TRANSPORT

SUGGESTED BROADENING OF TERMS OF REFERENCE OF INQUIRY INTO SAFETY OF BILINGUAL AIR-TO-GROUND COMMUNICATIONS

Mr. Don Mazankowski (Vegreville): Mr. Speaker, may I direct a question to the President of the Treasury Board. In view of the prospect of a nationwide strike, will the minister use his influence and good office to impress upon the Minister of Transport the necessity of broadening the terms of reference of the public inquiry in order to provide maximum latitude in assessing safety implications for all procedures with respect to bilingual air-to-ground communications, specifically IFR and VFR?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, the government is anxious to avoid a strike by air traffic controllers and, therefore, we will do our best to avoid it. I think that the inquiry proposed by the Minister of Transport was a solution which was quite acceptable; it would have enabled the public to know both sides of the medal. However, I think we have nothing to win by making this debate more controversial and as far as the terms of reference are concerned if there is something to change, we would be prepared to do so. On the other hand, we must not ignore the purpose of the inquiry which is to find a reasonable solution and not to launch a useless debate.

[*English*]

THREATENED STRIKE OF AIR TRAFFIC CONTROLLERS—REASON TREASURY BOARD IGNORED CONCILIATION BOARD RECOMMENDATIONS ON LANGUAGE AND WAGES

Mr. Don Mazankowski (Vegreville): While the minister and his government may be anxious to avert a nationwide strike, as are we on this side of the House, will he advise why Treasury Board chose to ignore the principal contents

of the conciliation recommendations, namely those aspects dealing with the language question and the wage offer?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, we negotiate the questions of the salary levels. I think that the government measures on bilingualism are based on the legislation passed by an act of Parliament and that this legislation is not negotiable at the negotiation table.

* * *

AIR CANADA

ALLEGED UNPLEASANT REMARKS OF MR. KENT DAVIS TO EMPLOYEES

Mr. Pierre De Bané (Matane): Mr. Speaker, I wish to put a supplementary to the President of the Treasury Board.

I would first like to tell him that I do not agree with the advisability of this inquiry, and I would like to know whether the government will require Air Canada Vice President Kent Davis to give some explanations concerning unpleasant remarks he made towards French-speaking civil servants of the Crown corporation.

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, civil servants have bosses within their agencies and if any disciplinary measures are to be taken, they must be taken by directors in every department or agency. I am not aware of any unpleasant remarks, but I will convey this question of the hon. member to the Minister of Transport.

* * *

[*English*]

EDUCATION

ALLEGED MISLEADING ESTIMATES OF PAYMENTS TO PROVINCES—BASIS OF PRELIMINARY REQUESTS BY PROVINCES

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is to the Secretary of State. It refers to one I put to the minister on Friday asking him to justify the $111 million mistake in federal estimates of post-secondary education costs. He replied that it was not a mistake and I accept that. It is much worse. Can he now justify the deliberate tabling of misleading estimates designed to show restraint in the federal government's spending program when he knows that final payments under this program for 1976-77 will be much higher and that what he is trying to pass off as restraint is in fact a deferred payment of an expenditure mandated by law?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, if I may be permitted to do so, I shall answer this question because estimates fall under the jurisdiction of the Treasury Board. I must say that the action taken by the Treasury Board, on presenting the estimates, is quite legitimate. We had, under the law, the privilege of postponing payment of certain debentures to show to all levels of government that we are serious about our restraint program and indirectly encourage them to do likewise. Those expenditures will be settled when the government deems it opportune.

[*English*]

Miss MacDonald: Is the President of the Treasury Board prepared to say the amount of the preliminary estimates submitted to him by the Secretary of State? Was this preliminary request for funds based on the provincial estimates of operating expenditures for 1976-77, as required under the Fiscal Arrangements Act?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I said in my previous answer that the legislation allowed a certain flexibility as far as payments are concerned and we took advantage of that.

[*English*]

Miss MacDonald: A final supplementary—I should like to address it to the Prime Minister but he is absent. I will direct it to the President of the Treasury Board. Does the minister consider that this obvious example of lack of integrity in dealing with federal-provincial fiscal arrangements provides the proper climate for co-operative approach to the renegotiation of post-secondary financing at the first ministers conference in June?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I think this would be quite appropriate and will give the provinces a chance to realize that the government is very much concerned by the level of public expenditures and trying to bring them under control, as the official opposition is pressing us every day to do.

* * *

INDUSTRY

POSSIBILITY OF ARRANGEMENTS TO FACILITATE OPERATIONS OF NORANDA MINES IN CHILE

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, in the absence of the Secretary of State for External Affairs my question is directed to the Minister of Industry, Trade and Commerce. In view of the fact that Noranda Mines, a Canadian company, is about to start operations in Chile, has the Canadian government made any arrangement, commitment or contract with this company to facilitate its establishment in that country?

[*Translation*]

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, I will take notice of the question, and perhaps it will be possible to answer it later during the day.

Mr. Wagner: Mr. Speaker, I would like to ask a supplementary question also directed to the Minister of Industry, Trade and Commerce, of which the Parliamentary Secretary could take notice. I will ask it in English.

[*English*]

Has Noranda Mines received or been promised any financial assistance from the Canadian Export Develop-

ment Corporation or is it under any contract or negotiating any contract with the Canadian International Development Agency?

[*Translation*]

Mr. Roy (Laval): Mr. Speaker, I am taking notice of the question.

* * *

[*English*]

ROYAL CANADIAN MOUNTED POLICE

INVESTIGATION INTO ALLEGATIONS AGAINST SEAFARERS' INTERNATIONAL UNION—REQUEST FOR REPORT

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I have a question for the Minister of Labour. It is my understanding that the ongoing investigation into the SIU has assumed two forms, one into possible criminal aspects and another into non-criminal aspects. Can the minister state whether he has received a report with respect to the non-criminal aspects of the investigation?

Hon. John C. Munro (Minister of Labour): I believe the minister responsible for the RCMP is the minister to whom any questions dealing with these investigations should be directed.

Mr. MacKay: I must say that in view of the interest the Minister of Labour has in this matter I thought he would be informed. However, may I address the question to the Solicitor General?

Hon. Warren Allmand (Solicitor General): I have checked with the RCMP on a periodic basis with respect to this investigation. They tell me it is very wide and comprehensive, that it is still under way and that it will take some time. No final report, or, indeed, interim report, has been issued.

* * *

AGRICULTURE

REQUEST OF EGG MARKETING AGENCY TO BE SOLE IMPORTER—JUSTIFICATION OF MINISTER'S SUPPORT

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question is directed to the Minister of Agriculture. In the last few days the Canadian Egg Marketing Agency has asked, with the support of the Minister of Agriculture, for authority to be a direct importer of eggs and for sole receivership rights in respect of eggs imported into Canada. CEMA has asked that the situation be clarified immediately. Can the minister tell us when the situation will be clarified, and can he assure the House that any change in policy will be in the interest of Canadian consumers as well as of the egg producers?

Hon. E. F. Whelan (Minister of Agriculture): Anything we decide on will be in the interest of both the consumers and the producers; that is the intent of national marketing—both have to be in a healthy position. The Minister of Industry, Trade and Commerce is attending a meeting today in Dallas, Texas. As soon as he returns we shall be discussing this problem. We want it settled. We want a decision made as soon as possible, also.

Mr. Grafftey: On many occasions the Minister of Consumer and Corporate Affairs has stated that in no circumstances would he support a policy which gave CEMA sole receivership rights in respect of imported eggs, and that is government policy at the present time. How does the Minister of Agriculture justify his position of advocating the exact opposite from one end of the country to the other?

• (1430)

Mr. Whelan: Mr. Speaker, if I recall correctly what the minister said in the House previously, he is against a monopoly. CEMA does not have a monopoly on egg production in Canada at the present time. There are many producers with 1,000 or 500 laying hens that are not under the control of the provincial marketing board; they can market their eggs at any price. As the hon. member I am sure is aware, there are other groups in Canada that have control over imports. The Canadian Wheat Board has control over the importation of wheat, oats and barley; the Canadian Dairy Commission has control over the importation of butter. I am sure that the hon. member would not suggest that this authority should be taken away from them.

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INDUSTRY

BELL AEROSPACE—POSSIBILITY PLANT WILL CLOSE—GOVERNMENT ACTION TO ENSURE CONTINUED OPERATION

Mr. Andrew Brewin (Greenwood): Mr. Speaker, can I address my question to the Acting Minister of Industry, Trade and Commerce, in the absence of the minister, or to the Acting Prime Minister. Is the minister aware that Bell Aerospace, a subsidiary of Textron, a United States corporation which produces air cushion vehicles which are of great importance for various purposes in Canada, such as ice breaking, flood control and transportation on rough terrain, has reduced its staff of employees at the Canadian plant at Grand Bend from 78 to 19 and proposes to close down its Canadian operations?

Hon. C. M. Drury (Acting Prime Minister): Mr. Speaker, I was personally aware of this story that appeared in the newspapers. I would be glad to pass the question on to the minister for an answer when he returns the day after tomorrow.

Mr. Brewin: Mr. Speaker, would the Acting Prime Minister also refer the following supplementary question to the minister. Would the minister inquire into this situation and discuss with the company how this valuable industry, which has been financed by the federal PAIT program to the extent of $4 million, can be carried on, especially in light of the fact that the U.S.S.R. has expressed interest in Canada's leading technology in this field and that the U.S. army is also testing the machines?

Mr. Drury: Mr. Speaker, I can tell the hon. member that the discussions he suggests are already underway.

Oral Questions

[*Translation*]

HOUSING

AVAILABILITY OF GOVERNMENT FUNDS FOR LOW COST HOUSING IN QUEBEC

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to put a question to the Minister of State for Urban Affairs.

Further to the question I asked him on May 13 on the way the Quebec Housing Corporation is spending the funds allocated by the federal government for the purpose of building low cost housing for senior citizens, has the minister checked the facts put forward on May 13 and can he inform the House on the use or availability of such funds, as the promoters of such projects are still refused money from the government from Quebec on the grounds that the federal government has not done anything yet?

[*English*]

Hon. Barney Danson (Minister of State for Urban Affairs): Mr. Speaker, I am happy to say I have checked into this. Funds have been allocated under our public housing, non-profit housing and limited dividend housing programs, I think in the area of $56 million. Arrangements are still to be made by the province of Quebec for delivery of these programs, but the funds are available, plus other programs in regard to which the province of Quebec has not made appropriate arrangements.

* * *

URBAN AFFAIRS

SUGGESTION MUNICIPALITIES SHARE TAX POINTS UNDER INCOME TAX ACT—CONSULTATION WITH PROVINCES—GOVERNMENT POSITION

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a question to the Minister of State for Urban Affairs responsible for housing. Has the minister had discussions with the executive or the president of the Canadian Federation of Mayors and Municipalities, and was the sharing of tax points with the municipalities under the Income Tax Act discussed with the municipalities?

Hon. Barney Danson (Minister of State for Urban Affairs): Mr. Speaker, the tri-level task force on public finance has made its report to the three levels of government. There has been a meeting between the Canadian Federation of Mayors and Municipalities and the provincial minister representing the other provincial ministers. This matter has not been discussed recently. We have received the report and we hope to be able to discuss it jointly in the not too distant future. There are difficulties in arranging those discussions, but certainly there is agreement between the Canadian Federation of Mayors and Municipalities and the federal government that such discussions would be productive, and we would be happy to enter into such discussions.

Mr. McGrath: A supplementary question, Mr. Speaker. Do the minister and his colleagues in the federal government intend to pursue this matter with the provinces before the meeting of the CFMM, which is to take place in Vancouver in June?

[Mr. Drury.]

Mr. Danson: Mr. Speaker, I doubt whether that would happen. The Hon. Brian Peckford of Newfoundland, who is representing the provincial ministers in this regard, is in contact with his provincial counterparts but he is unlikely to get agreement from all provinces to have such discussions before that meeting. As a matter of fact, it is increasingly difficult to get agreement to have such discussions at all.

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ANTI-INFLATION BOARD

REQUEST FOR EXTENSION OF DEADLINE FOR FILING REPORTS ON PROFESSIONAL FEES—GOVERNMENT POSITION

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my question is for the Minister of Finance and relates to the Anti-Inflation Board. As the board requires that compliance reports on professional fees and income be submitted within 90 days of the year end, and as the report forms and other related material have only recently been sent out by the board to those affected, will the minister extend the due date for these reports to August 15, to give the required 90 days?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the point as expressed by the hon. gentleman seems to be reasonable and I will discuss it with the board.

Mr. Scott: A supplementary question, Mr. Speaker. As there are approximately 40,000 people affected, how soon can the minister make the decision known in order that those people will have a chance to negotiate with their accountants in different fields?

Mr. Macdonald (Rosedale): Mr. Speaker, I will discuss that concern with the board as well.

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GOVERNMENT ADMINISTRATION

PROPOSAL TO ESTABLISH POSITION OF CHIEF FINANCIAL OFFICER—GOVERNMENT POSITION

Mr. Alan Martin (Scarborough West): Mr. Speaker, my question is for the President of the Treasury Board. In view of the recommendation implied by the Auditor General in his report for the year ended March 31, 1975, and later enunciated by him before the Standing Committee on Public Accounts, would the minister give very careful consideration to the establishment of the position of chief financial officer within the framework of the Public Service of Canada, the position to have express responsibility for overseeing matters relating to the adequacy of financial accounting and control measures over the some $40 billion of annual revenues and expenditures involved in the current operations of the government?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, as everyone knows, we studied thoroughly the Auditor General's recommendations which we all accepted, except two. As concerns the position mentioned

by the hon. member, I am prepared to consider it favourably. There is a problem of organization within the government. We strongly intend to establish the required mechanisms to the satisfaction of the Auditor General, and I think that with respect to this particular matter, the Treasury Board and the Auditor General will finally find a common ground. However, it is a problem of governmental organization and we may not be able to meet all the requests of the Auditor General, but if we can meet them in a proportion of 98 per cent, as we did until now, I think it is a good average.

* * *

[*English*]

AUDITOR GENERAL

DATE OF INTRODUCTION OF LEGISLATION IMPLEMENTING RECOMMENDATIONS OF REVIEW BOARD

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a supplementary question for the hon. gentleman. He and I have exchanged a few words before on the issue of bringing in legislation to implement proposals made by the independent review board on the office of the Auditor General. I think the minister has already promised seven times to introduce legislation before the end of the session. Would he make the promise for the eighth time and make us happy?

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, I will make the promise at a time other than today; I hope to give this matter a very prominent place in the Speech from the Throne that will be presented in the fall.

* * *

LABOUR CONDITIONS

KNOWLEDGE OF MINISTER OF MANIFESTO ISSUED BY CANADIAN LABOUR CONGRESS—POSSIBILITY OF CHANGE IN INSTITUTIONS

Mr. John A. Fraser (Vancouver South): Mr. Speaker, my question is for the Minister of Labour. Despite the withdrawal of labour from ongoing committees comprised of labour, government and management, can the minister advise whether, in his recent talks with officials of the CLC, he had been given notice that a manifesto of labour demands would be issued by the CLC; and has the minister discussed the items contained within the manifesto in any of the bilateral discussions with the CLC which he has been advising the House have been taking place? Or does it come as a complete surprise?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, I was not given notice of the precise form of the manifesto that will be presented. I must advise the hon. member, however, that the CLC was approached in respect of entering into discussions with the government pertinent to a post-control period, and what policies it would like developed in this regard. We wanted to have the CLC's views and that type of approach was made, to which the CLC was receptive. Certainly I was aware, as I think the government was, that there was thinking going on within the CLC relative to the post-control period.

● (1440)

Mr. Fraser: Mr. Speaker, reports of the manifesto indicate the following:

Logic draws us to the conclusion that the government is moving into a new era in which the institutions of this country are going to change.

I would ask the minister whether he agrees with that CLC statement, and whether, in any of the recent talks with the CLC, the minister has given the CLC reason to justify that statement?

Mr. Munro (Hamilton East): Mr. Speaker, that all depends on how you want to interpret "institutions". Certainly the CLC has been, and I think will be in the future, co-operating with the government and with the business representatives on the Canadian Labour Relations Council—the tripartite council with which the hon. member I am sure is familiar—in reforming and changing some of the institutions that we have found not to be working too satisfactorily, not only from a labour point of view but from the point of view of the country generally. I am referring to the free collective bargaining system and the work that labour has done in that area in terms of the concept of broader base bargaining and other innovations that will, indeed, improve and necessarily change the institutions.

Mr. Fraser: Mr. Speaker, it would appear the minister has had some discussions in some depth with the CLC, and my question is, when the CLC says that "logic drives us to the conclusion that the government is moving into a new era in which the institutions of this country are going to change", is it the minister's understanding from his discussions with the CLC that this refers only to matters of labour-management relations, or is this something which goes much further than that?

Mr. Munro (Hamilton East): Mr. Speaker, I think our institutions are always in a state of change. I think that primarily the CLC is concerned, and the manifesto to a degree reveals this, with what will happen in respect of collective bargaining and their rights under collective bargaining. The CLC is very concerned about that. We have indicated to the CLC that through the tripartite relationship we hope to improve the system, not to deny rights, but rather to reduce the adversary element within the system to the benefit of the CLC and everybody else concerned. That is the major concern of the CLC, and I believe that is what is referred to in the particular paragraph of the manifesto quoted by the hon. member.

* * *

MANPOWER

PORTION OF UNEMPLOYMENT STATISTICS ATTRIBUTABLE TO STRIKES

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration and is related to reports that indicate that up to 3 per cent of the recently announced unemployment

statistics can be attributed to strikes, not only in private industry but also in essential public services. Would the minister advise the House to what extent his department has the capacity to evaluate these statistics to see whether these reports are justified, and will he indicate what his department intends to do about this?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, that type of analysis is more appropriately focused within the Department of Labour. We pool such specialized information in that area with the Department of Labour.

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IMMIGRATION

ALLEGATION TOURISTS FROM UNITED STATES NEED PASSPORTS—GOVERNMENT POSITION

Hon. Robert K. Andras (Minister of Manpower and Immigration): While I am on my feet, Mr. Speaker, I wonder if I might respond to a question addressed to me the other day on an important matter regarding the alleged requirement for United States visitors to Canada to have passports or birth certificates. I want to clearly indicate that such is not the case. This was a result of somewhat erroneous information and has been clarified with all our immigration posts. The fact is that we will not be requiring United States visitors to Canada to have passports or birth certificates, but simply the ordinary identification they have been presenting.

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LABOUR CONDITIONS

SUGGESTED DEVELOPMENT OF MULTI-UNION BARGAINING SYSTEM—GOVERNMENT POSITION

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I should like to address my supplementary question to the Minister of Labour. Since it is quite obvious that many recipients of unemployment insurance are either directly or indirectly involved in strikes, some in essential public services, has he had any discussions with the Minister of Manpower and Immigration as to the advisability and the benefits that could be derived from the development of a multi-union bargaining system in our country so that one firm is not bargaining with eight unions, in which case if one goes on strike the rest receive unemployment insurance?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, just to make things perfectly clear, and I do not know whether the hon. member does not understand this proposition—

Mr. Oberle: I understand it very well.

Mr. Munro (Hamilton East): The fact is you cannot get unemployment insurance while you are on strike, to which I believe my colleague, the Minister of Manpower and Immigration, will attest. However, in answer to the hon. member's general question, yes, this is one of the essential concepts that labour, management and government, the tripartite council, have been endeavouring to develop the concept of broader base bargaining. Following the adoption of this concept, then, if one union exercises its right to strike in a case where an employer has eight or nine bargaining agents to deal with in coming to settlements, the whole place will not be shut down, denying the opportunity of employment to those employees belonging to other unions. It is hoped we can change this type of thing through the concept of broader based bargaining, and there has been some progress along these lines.

[Mr. Oberle.]

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INCOME TAX

PROHIBITION OF CERTAIN ACTIVITIES OF ORGANIZATIONS DESIGNATED CHARITABLE ORGANIZATIONS UNDER ACT—GOVERNMENT POSITION

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of National Revenue and is in respect of a question raised a week ago concerning a dangerous precedent which had been established by officials regarding the possible change in the tax exemption status of charitable organizations. I wonder whether the minister has yet had an opportunity to consider the situation with regard to the more than 30,000 charitable organizations presently enjoying this tax benefit status in Canada, and whether he has yet come to any conclusion concerning the appropriateness of such a decision by people in his department prohibiting certain activities of these organizations?

Hon. Jack Cullen (Minister of National Revenue): Yes, Mr. Speaker. Interestingly enough, but maybe not surprising, "charitable purpose" is not defined in the act so we had to turn to the courts for an interpretation. They have indicated that "for charitable purposes" includes relief of poverty, advancement of religion, advancement of education and an obscure clause, of general benefit to the community. So, first and foremost, when we are defining what charitable activity is we must look to those engaged in other activities. "Political activity" again has no definition in the act. It has been indicated in the courts that "engaged in political activity", is an adjunct to political activity and does in fact void the charitable aspect. We in the department have no wish to be unduly restrictive. In point of fact, the department has taken the position that presenting a viewpoint does not in fact void the charitable status. This is an area where I do back up my officials. They had to depend on the only precedent they had in this particular instance, that is the jurisprudence of the land, and because of that, and the difficulties this might make for many organizations, I am asking my officials to look at it in more depth.

VETERANS AFFAIRS

REQUEST FOR INCREASE IN CEILING ON CASUAL EARNINGS FOR THOSE ON ALLOWANCE

Hon. Martin O'Connell (Scarborough East): Mr. Speaker, in view of the fact that the $1,500 ceiling on casual earnings allowed veterans on war veterans allowances, or their spouses, has remained fixed for the past three years, whereas average earnings have risen some 40 per cent, and federal minimum wages have risen by 50 per cent, a situation causing hardship to veterans and their families, will the Minister of Veterans Affairs undertake to increase the $1,500 ceiling on exempt casual earnings to bring this into line with higher levels of average earnings, as was done in the past, in order that these casual earnings will be worth as much today as they were three years ago?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): In answer to the hon. gentleman's question, Mr. Speaker, we are presently doing this in the department. Negotiations are being carried out and we hope to be successful in this endeavour.

SUGGESTED PROVISION OF PRO-RATED PENSION FOR WIDOWS OF PENSIONERS WHOSE DISABILITY WAS LESS THAN 48 PER CENT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I too, have a question for the Minister of Veterans Affairs, and I am glad he is in an affirmative mood. Now that Bill C-92, which provides compensation for Canadian veterans who were prisoners of war, is in effect, will the minister and his department study the possibility of bringing in legislation to implement one of the recommendations of the Seventh Report of the Standing Committee on Veterans Affairs which was not included in Bill C-92, namely, the provision of pro-rated pensions for widows of veterans where the veteran's disability pension was less than 48 per cent?

● (1450)

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Yes, Mr. Speaker we are constantly reviewing this and many other aspects and necessities in our department. This will be also under study but how soon it can be brought forward I cannot tell the hon. member at this time.

POSSIBLE INCLUSION OF WORLD WAR I PRISONERS OF WAR IN PROVISIONS OF BILL C-92

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Will the minister, at the same time, review the possibility of including veterans of World War I who were prisoners of war under the provisions of Bill C-92?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, this will be given due consideration, but I must remind members of the House that when the POW legislation was prepared and presented to the House of Commons the people who worked on it considered that prisoners of war in the first world war were treated quite differently from prisoners in the second world war.

[*Translation*]

MANPOWER

GOVERNMENT MEASURES TO REPLACE LOCAL INITIATIVES PROGRAM

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, my question is for the Minister of Manpower and Immigration, to whom I gave advance notice of it.

Considering that local initiatives projects are coming to an end within a few weeks and following the question I asked him on January 29, 1976, which can be found at page 10428 of *Hansard*, can the minister tell the House whether he is now ready to make a statement in that regard and if not, when he will be able to inform the House of the implementation of similar projects to replace the local initiatives projects in constituencies with a high rate of unemployment?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, first I should like to say that I appreciate the notice which the hon. member sent me. The Local Initiatives Program funding for the fiscal period 1975-1976 is, as the hon. member has noted, due to end within a few weeks and $150 million in funds were allocated for that purpose for that period. No decision has been taken to extend that program beyond the termination date of the projects presently underway although, as I have indicated in the House, $100 million has been allocated and will be sought in supplementary estimates for 1976-1977 for this fall and winter. The details of that program will be made available to hon. members as soon as we have finalized some of the changed criteria.

LOCAL INITIATIVES PROGRAM—REQUEST FOR ACCOUNTING OF HOW MONEY WAS SPENT IN CONSTITUENCIES

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, may I ask the minister a supplementary question? Will he be providing to the House an accounting of how the money was spent in every constituency in the final analysis.

Hon. Robert K. Andras (Minister of Manpower and Immigration): It has been standard practice to table the allocation of funds broken down by constituency since we introduced that degree of distribution. I am not sure what the hon. member wishes to know with regard to the details of how every dollar was spent in the constituencies. We will certainly show the funding allocation.

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CUSTOMS

SUSPENSION OF CLEARANCE SERVICES AT REGINA AND SASKATOON AIRPORTS—PRECLEARANCE AT CALGARY AND EDMONTON

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Minister of National Revenue. My colleague from Regina asked him last week about the abandonment of customs and clearance services at the airports in Saskatoon and Regina. I hope he will be in a position to answer that question today.

And while he is on his feet would he also advise us, in the absence of the Minister of Transport, of the state of negotiations with regard to customs preclearance in Calgary and Edmonton, a matter which has been outstanding now for some 18 months to two years?

Hon. Jack Cullen (Minister of National Revenue): With regard to the first part of the question I have the same difficulty as the hon. member. I want to discuss the matter with my colleague, the Minister of Transport. Normally, we provide the personnel after consultation with the Department of Transport on whether the traffic load warrants it. The facilities are not provided there because the traffic pattern apparently is not sufficient to warrant the services of customs officials. However, I want to be certain before I give an unequivocal answer to the hon. member.

With respect to the other matter, negotiations are proceeding. I cannot give the hon. member a positive answer.

Mr. Lambert (Edmonton West): With regard to the preclearance in Calgary and Edmonton and the apparent desire of the Minister of Transport to make sure that the airlines pay for the service, would he also look at the equity of those people who use those airports paying a user tax and yet not getting facilities to which they are entitled at other airports?

Mr. Cullen: In light of the fact that the representation comes from such an august member of the House, I will give it my careful consideration.

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VETERANS AFFAIRS

PROPOSED CAMP HILL COMPLEX AT HALIFAX—REQUEST FOR REPORT

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the Minister of Veterans Affairs and it arises out of questions I asked some months ago about the negotiations between the provincial government of Nova Scotia and his department concerning the future of the proposed new structure on Camp Hill hospital site in Halifax. Are these negotiations reaching a final conclusion and, if so, can the minister indicate briefly just what it is?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, I have spoken with the minister of health in Nova Scotia. My officials have been down to Nova Scotia and discussions are being carried on with regard to this transfer. With regard to giving the hon. member the final conclusion, I would like to tell him that from past experience I find it is not a good idea to state conclusions before something is clearly established. Therefore, I would prefer not to do it at this time.

GRAIN

PROPOSED CONSTRUCTION OF ADDITIONAL STORAGE SPACE ON PACIFIC COAST—GOVERNMENT POSITION

Mr. Frank Hamilton (Swift Current-Maple Creek): Mr. Speaker, my question is for the Minister of Agriculture. It has to do with the Canadian Wheat Board incentive program to encourage the construction of an additional 14 million bushels of storage space at the Pacific seaboard. I wonder whether the minister intends to support this program by constructing additional storage at the government elevator at Prince Rupert.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I think the policy is good and we are hopeful it can be used at Prince Rupert.

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CUSTOMS

SUGGESTION BORDER OFFICERS BE TAUGHT GOOD MANNERS

Mr. Sean O'Sullivan (Hamilton-Wentworth): My question is directed to the Minister of National Revenue who has been questioned earlier today about customs agents. In view of the fact that the minister himself has been known during his service in parliament for good manners, and with the influx of tourists to Canada, especially in view of the Olympics this year, would the minister go out of his way to make sure that officials of his department, Department of National Revenue employees at the borders, who are not known for the best manners in the world, might be given a crash course in politeness to welcome visitors into our country?

Hon. Jack Cullen (Minister of National Revenue): Mr. Speaker, I categorically deny that presumption by the hon. member. We deal with some 75 million visitors to Canada. Considering the limited number of complaints we get, I think they are doing a crack-a-jack job. It does not mean that it cannot be better, but most assuredly I dissociate myself from the hon. member's comment.

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CANADA PENSION PLAN

ALLEGED FUTURE GAP BETWEEN BENEFITS AND CONTRIBUTIONS—GOVERNMENT ACTION

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Finance. As Canada Pension Plan benefits will exceed employer-employee contributions in about three years and from then on it will be all downhill unless the government subsidizes the plan or abruptly raises the contributions of those still paying, would the minister indicate if his department has done a fresh appraisal of the magnitude of this coming gap and, if so, would he indicate what it is likely to be?

Hon. Donald S. Macdonald (Minister of Finance): The department has under scrutiny the question of the expected crossover of the Canada Pension Plan payments, that is to have them moved to a position where the contributions

will no longer exceed the payments out. This was in contemplation right from the start in the Canada Pension Plan, and for this particular purpose we have been having some discussions with the provincial governments. Indeed, at the last finance ministers meeting the province of Ontario responded with a lengthy brief on the question, as did other provincial finance ministers in oral terms. In short, this is a question which has been under examination. I would not like to make a statement at this time as to the possible future course, but in view of the important role the Canada Pension Plan has had in terms of financing provincial governments as well as protecting individual Canadians, clearly this is a matter which will be extensively discussed in a year or so.

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ENERGY

USE OF RESOURCES BY COMPANIES NOT PERMITTED TO EXPORT

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. In light of the report last week, I should like to ask the minister whether the Canadian government will force companies which are not permitted to export to use the same resources to supply the domestic market. Is that going to apply only to findings in the Northwest Territories and the northern part of Canada or will it also be applied to the provinces?

● (1500)

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I should have liked to be able to give the hon. member a full and complete answer at this time, but I have indicated to him and other hon. members that we will be making a full statement with respect to the new oil and gas land regulations, and I think it has now been agreed that the time for that will be on Wednesday of this week.

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ELECTORAL BOUNDARIES READJUSTMENT ACT

INQUIRY AS TO REPORT FROM ONTARIO COMMISSIONERS

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I should like to put a question to the Secretary of State. Can the minister inform me whether pursuant to section 22 of the Electoral Boundaries Readjustment Act he has received a representation order from the representation commissioners of the province of Ontario?

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, I will have to check into that.

Presence in Gallery

AGRICULTURE

NUMBER OF CATTLE AND SHEEP DESTROYED UNDER BLUE TONGUE CONTROL PROGRAM

Mr. Ken Hurlburt (Lethbridge): Mr. Speaker, I should like to direct my question to the Minister of Agriculture. Would the minister inform the House how many cattle have been destroyed under the new blue tongue eradication program, how many sheep have been destroyed and how he plans to control the disease in wild game?

Mr. Speaker: Order, please. I think that detailed information ought to be sought in another way.

ROUTINE PROCEEDINGS

[*English*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF JUSTICE MINISTER HAIM ZADOK OF ISRAEL

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I should like to draw to the attention of the House the presence in your gallery of a representative of Israel with whom we maintain close and friendly relationships, His Excellency Haim Zadok, the Minister of Justice of Israel, and his charming wife, Mrs. Zadok.

Some hon. Members: Hear, hear!

Mr. Brisco: Mr. Speaker, I rise on a point of order. While I have no objection to going through the exercise of standing to be recognized—and I recognize the fact that there are many other hon. members who must be recognized—I should like to point out one fact which disturbed me last Friday and today. Conveniently or otherwise, ministers who could have been questioned have had occasion to leave the House during the question period. I noticed that after the question put by the hon. member for Central Nova to the Minister of Labour there was consultation between the Minister of Labour and the Solicitor General. I do not say that consultation was pertinent, but I noticed that immediately afterwards the Solicitor General left the House. I also noticed that the minister's parliamentary secretary enjoyed his peregrinations behind the curtain for the entire balance of the question period. I find it indeed frustrating, as must other hon. members, to be recognized when ministers and their parliamentary secretaries do not sit regularly in the House.

It should be noted that some ministers and some parliamentary secretaries are very faithful to the question period and recognize the urgency of the need for hon. members to determine what the facts are, but there are some who very seriously abuse the purpose of the question period. As a backbencher, I simply want to voice my serious objection to this abuse of the question period by both ministers and parliamentary secretaries. Quite frankly, I am fed up.

Some hon. Members: Hear, hear!

Order Paper Questions

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 4,925, 4,973 to 4,978 inclusive, 4,981, 4,982, 4,993, 5,001, 5,096, 5,154, 5,177, 5,178, 5,181, 5,195 and 5,206.

[*Text*]

ECOLOGICAL RESEARCH—CONSTITUENCY OF TÉMISCAMINGUE

Question No. 4,925—**Mr. Caouette (Témiscamingue):**

Since 1970, did the Department of the Environment carry out ecological research in the Constituency of Témiscamingue and, if so, in each case, what was the (a) amount (b) year of approval (c) name of the municipality or the company concerned (d) salary of the field employees (e) result of such research?

Hon. Jean Marchand (Minister of the Environment): Yes. Forest Insect and Disease Survey: (a) 0.4 man years per annum since 1952; (b) 1952; (c) not applicable; (d) no field employees engaged; (e) detection, evaluation and prediction of damage due to insects and disease. Preliminary evaluation of effects of air pollution (Rouyn-Noranda). White Spruce Mortality: (a) 0.2 man years; (b) 1975; (c) CIP, E.B. Eddy; (d) no field employees engaged; (e) evaluation of current white spruce mortality due to Budworm defoliation—further mortality predicted. Information to be applied to planning of salvage cutting. Deterioration of Dead Trees by Wood-Boring Insects: (a) 1 man year since 1970; (b) 1967-1970; (c) Laniel, CIP; (d) no field employees engaged; (e) planning of salvage schedules required after mortality of trees due to flooding and other causes. Hydrometric Stations: (a) $9,000; (b) 1975-76; (c) Lac des quinze, Rivière Maganasipi, Rivière du Moine, Lac Decelles; (d) operated by Quebec Department of Natural Resources; (e) acquisition of data on flows and levels in upper Ottawa basin as a basis for joint Environment Canada—Quebec Department of Natural Resources flood-forecasting and flood-damage reduction programs. Water Pollution Control: (a) 0.2 man years; (b) 1973; (c) Tembec Inc. (d) no field employees engaged; (e) improved effluent treatment at Tembec forest products mill, compliance by company with effluent requirements specified in pulp and paper effluent regulations. Analysis for Heavy Metals in Fauna Donated by Members of Rod and Gun Clubs: (a) 0.25 man years, $1,200; (b) 1973; (c) not applicable; (d) no field employees engaged; (e) detection of presence of methyl mercury, recommendation concerning the ban of commercial fishing by the Quebec Department of Tourism, Hunting and Fishing.

RCMP—ALBERTA

Question No. 4,973—**Mr. Matte:**

1. How many members of the RCMP were stationed in the Province of Alberta in (a) 1970 (b) 1971 (c) 1972 (d) 1973 (e) 1974 (f) 1975 (g) 1976?

2. How many were responsible for (a) general management (b) training (c) law enforcement?

[Mr. Brisco.]

3. How many were (a) French speaking (b) English speaking (c) bilingual?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Note: Parts 1 and 2 refer to authorized establishment whereas Part 3 refers to actual strength. The reason for the discrepancy between the authorized strength and the actual strength is that the statistics were taken from March figures. The new year increases which came into effect April 1 accommodate the overages. 1. (a) 1,094; (b) 1,140; (c) 1,209; (d) 1,307; (e) 1,402; (f) 1,510; (g) 1,628.

2.	1970	1971	1972	1973	1974	1975	1976
(a)	21	21	27	33	28	31	41
(b)	0	0	2	3	4	6	5
(c)	1073	1119	1180	1271	1370	1473	1582

3. Statistics available for 1976 only. (a) 2; (b) 1,590; (c) 36.

RCMP—NEWFOUNDLAND

Question No. 4,974—**Mr. Matte:**

1. How many members of the RCMP were stationed in the Province of Newfoundland in (a) 1970 (b) 1971 (c) 1972 (d) 1973 (e) 1974 (f) 1975 (g) 1976?

2. How many were responsible for (a) general management (b) training (c) law enforcement?

3. How many were (a) French speaking (b) English speaking (c) bilingual?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Note: Parts 1 and 2 refer to authorized establishment whereas Part 3 refers to actual strength. The reason for the discrepancy between the authorized strength and the actual strength is that the statistics were taken from March figures. The new year increases which came into effect April 1 accommodate the overages. 1. (a) 395; (b) 400; (c) 413; (d) 443; (e) 501; (f) 531; (g) 554.

2.	1970	1971	1972	1973	1974	1975	1976
(a)	13	12	14	15	15	18	19
(b)	0	0	1	1	1	2	2
(c)	382	388	398	427	485	511	533

3. Statistics available for 1976 only. (a) Nil; (b) 549; (c) 13.

RCMP—NOVA SCOTIA

Question No. 4,975—**Mr. Matte:**

1. How many members of the RCMP were stationed in the Province of Nova Scotia in (a) 1970 (b) 1971 (c) 1972 (d) 1973 (e) 1974 (f) 1975 (g) 1976?

2. How many were responsible for (a) general management (b) training (c) law enforcement?

3. How many were (a) French speaking (b) English speaking (c) bilingual?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Note: Parts 1 and 2 refer to authorized establishment whereas Part 3 refers to actual strength. The reason for the discrepancy between the authorized strength and

the actual strength is that the statistics were taken from March figures. The new year increases which came into effect April 1 accommodate the overages. 1. (a) 421; (b) 478; (c) 488; (d) 516; (e) 529; (f) 570; (g) 605.

2.	1970	1971	1972	1973	1974	1975	1976
(a)	11	11	13	14	14	19	20
(b)	0	0	1	2	2	2	2
(c)	410	467	474	500	513	549	583

3. Statistics available for 1976 only. (a) 8; (b) 601; (c) 17.

RCMP—NEW BRUNSWICK

Question No. 4,976—**Mr. Matte:**

1. How many members of the RCMP were stationed in the Province of New Brunswick in (a) 1970 (b) 1971 (c) 1972 (d) 1973 (e) 1974 (f) 1975 (g) 1976?

2. How many were responsible for (a) general management (b) training (c) law enforcement?

3. How many were (a) French speaking (b) English speaking (c) bilingual?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Note: Parts 1 and 2 refer to authorized establishment whereas Part 3 refers to actual strength. The reason for the discrepancy between the authorized strength and the actual strength is that the statistics were taken from March figures. The new year increases which came into effect April 1 accommodate the overages. 1. (a) 369; (b) 373; (c) 396; (d) 398; (e) 437; (f) 472; (g) 492.

2.	1970	1971	1972	1973	1974	1975	1976
(a)	16	16	19	18	18	22	25
(b)	0	0	2	2	2	2	2
(c)	353	357	375	378	417	448	465

3. Statistics available for 1976 only. (a) 34; (b) 332; (c) 144.

RCMP—BRITISH COLUMBIA

Question No. 4,977—**Mr. Matte:**

1. How many members of the RCMP were stationed in the Province of British Columbia in (a) 1970 (b) 1971 (c) 1972 (d) 1973 (e) 1974 (f) 1975 (g) 1976?

2. How many were responsible for (a) general management (b) training (c) law enforcement?

3. How many were (a) French speaking (b) English speaking (c) bilingual?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Note: Parts 1 and 2 refer to authorized establishment whereas Part 3 refers to actual strength. The reason for the discrepancy between the authorized strength and the actual strength is that the statistics were taken from March figures. The new year increases which came into effect April 1 accommodate the overages. 1. (a) 2055; (b) 2267; (c) 2477; (d) 2663; (e) 2879; (f) 3046; (g) 3325.

2.	1970	1971	1972	1973	1974	1975	1976
(a)	29	29	36	37	42	50	65
(b)	0	0	4	4	5	5	6
(c)	2026	2238	2437	2622	2832	2991	3254

3. Statistics available for 1976 only. (a) 9; (b) 3295; (c) 41.

RCMP—PRINCE EDWARD ISLAND

Question No. 4,978—**Mr. Matte:**

1. How many members of the RCMP were stationed in the Province of Prince Edward Island in (a) 1970 (b) 1971 (c) 1972 (d) 1973 (e) 1974 (f) 1975 (g) 1976?

2. How many were responsible for (a) general management (b) training (c) law enforcement?

3. How many were (a) French speaking (b) English speaking (c) bilingual?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Note: Parts 1 and 2 refer to authorized establishment whereas Part 3 refers to actual strength. The reason for the discrepancy between the authorized strength and the actual strength is that the statistics were taken from March figures. The new year increases which came into effect April 1 accommodate the overages. 1. (a) 72; (b) 81; (c) 91; (d) 95; (e) 102; (f) 111; (g) 121.

2.	1970	1971	1972	1973	1974	1975	1976
(a)	6	6	6	6	6	5	7
(b)	0	0	0	0	0	0	0
(c)	66	75	85	89	96	106	114

3. Statistics available for 1976 only. (a) Nil; (b) 129; (c) 6.

RCMP—NORTHWEST TERRITORIES

Question No. 4,981—**Mr. Matte:**

1. How many members of the RCMP were stationed in the Northwest Territories in (a) 1970 (b) 1971 (c) 1972 (d) 1973 (e) 1974 (f) 1975 (g) 1976?

2. How many were responsible for (a) general management (b) training (c) law enforcement?

3. How many were (a) French speaking (b) English speaking (c) bilingual?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Note: Parts 1 and 2 refer to authorized establishment whereas Part 3 refers to actual strength. The reason for the discrepancy between the authorized strength and the actual strength is that the statistics were taken from March figures. The new year increases which came into effect April 1 accommodate the overages. 1. (a) 134; (b) 131; (c) 133; (d) 140; (e) 163; (f) 180; (g) 198.

2.	1970	1971	1972	1973	1974	1975	1976
(a)	4	4	4	5	5	10	11
(b)	0	0	0	0	1	1	1
(c)	130	127	129	135	157	169	186

3. Statistics available for 1976 only. (a) Nil; (b) 195; (c) 3.

Order Paper Questions

RCMP—YUKON

Question No. 4,982—**Mr. Matte:**

1. How many members of the RCMP were stationed in the Yukon Territory in (a) 1970 (b) 1971 (c) 1972 (d) 1973 (e) 1974 (f) 1975 (g) 1976?

2. How many were responsible for (a) general management (b) training (c) law enforcement?

3. How many were (a) French speaking (b) English speaking (c) bilingual?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Note: Parts 1 and 2 refer to authorized establishment whereas Part 3 refers to actual strength. The reason for the discrepancy between the authorized strength and the actual strength is that the statistics were taken from March figures. The new year increases which came into effect April 1 accommodate the overages. 1. (a) 62; (b) 68; (c) 71; (d) 75; (e) 80; (f) 82; (g) 88.

Insert table 4982

2.	1970	1971	1972	1973	1974	1975	1976
(a)	4	4	4	4	5	5	7
(b)	0	0	0	0	0	0	0
(c)	58	64	67	71	75	77	81

3. Statistics available for 1976 only. (a) Nil; (b) 92; (c) Nil.

CANADIAN DOMESTIC CHEESE PRODUCTION

Question No. 4,993—**Mr. Herbert:**

1. Is Canadian domestic cheese production adequate in quantity to meet domestic demand?

2. What proportion of the wholesale distribution of domestically produced cheese is marketed by (a) Canadian-controlled (b) foreign-controlled enterprises?

3. Of the 50 million pound cheese import quota for 1976-77, what is the (a) distribution by country (b) total allowable quota from the European Common Market countries?

4. What is the estimated level of price support for industrial milk in the European Economic Community?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): 1. The Canadian domestic cheese industry has the manufacturing capacity to supply domestic demand for the major cheeses consumed in Canada such as cheddar, colby, brick and mozzarella. In the case of variety cheeses, Canada only manufactures about 60 varieties while we import 210 varieties. There is no Canadian production capability to manufacture all the varieties of cheese required to satisfy consumer demands.

2. While statistics are not available on cheese distribution by firms, it is estimated that about 25 per cent of domestically produced cheese is marketed by Canadian-controlled firms and about 75 per cent by foreign-controlled companies.

3. (a) The 50 million pound cheese import quota for 1976-77 is a global quota. The quota is allocated to importers based on their 1975 quota entitlements and importers are free to source their cheese imports from any country except Rhodesia. (b) Quotas are not allocated by country and, therefore, there is no quota allocated to European Common Market countries.

4. The European Economic Community's target support price for industrial milk, effective March 15, 1976, is estimated to be $9.16 per hundred pounds.

PUBLIC WORKS—RENTAL OF OFFICE SPACE FROM FOURNELLE-DESJARDINS-LAFLEUR COMPAGNIE LIMITÉE

Question No. 5,001—**Mr. MacKay:**

1. Do any departments presently rent office space from Fournelle-Desjardins-Lafleur Companie Limitée, and, if so, which departments and, in each case (a) what is the address of the location (b) what is the annual rent?

2. Did any department rent office space from the Company in (a) 1971 (b) 1972 (c) 1973 (d) 1974 (e) 1975 and, if so, in each case (i) which department (ii) what was the annual rent?

Hon. C. M. Drury (Minister of Public Works): 1 and 2. The Department of Public Works has not rented office space from this Company for this department or any other government department or agency.

NATIONAL DEBT OF CANADA

Question No. 5,096—**Mr. Stevens:**

1. As of March 31 (a) 1968 (b) 1975 (c) 1976, what was the Gross National Debt of Canada including contingent liabilities?

2. On each date, what (a) did this figure represent on a per capita basis (b) percentage of GNP did it represent?

3. On each date, what was the (a) interest bearing unmatured funded debt together with the annual interest payable on these amounts expressed in dollar and percentage terms (b) interest bearing other liabilities together with the annual interest payable on these amounts expressed in dollar and percentage terms (c) non-interest bearing other liabilities (d) contingent liabilities?

Hon. Donald S. Macdonald (Minister of Finance):

		March 31, 1968	March 31, 1975	March 31, 1976 (estimated)
1.		Gross National Debt including contingent liabilities (1)	$42,424.1 million	$78,326.7 million	n.a. (2)
2.	(a)	Per capita Gross National Debt including contingent liabilities (1)	$ 2,055.03	$ 3,444.90	n.a. (2)
	(b)	Gross National Debt including contingent liabilities as percentage of calendar year GNP (1)	63.88	55.60	n.a. (2)
3.	(a)	Interest bearing unmatured funded debt	$20,579.9 million	$33,086.2 million	$37,744.3 million
		Annual interest payable	$ 1,041.3 million	$ 2,395.4 million	$2,965.7 million
		Percentage	5.06	7.24	7.86
	(b)	Interest bearing other liabilities	$7,233.7 million	$14,429.7 million	$16,224.7 million
		Annual interest payable	$ 295.2 million	$ 949.2 million	$1,170.9 million
		Percentage	4.08	6.58	7.22

[Mr. Poulin.]

Order Paper Questions

		March 31, 1968	March 31, 1975	March 31, 1976 (estimated)
(c)	Non-interest bearing other liabilities	$ 5,110.6 million	$15,180.1 million	n.a. (2)
(d)	Contingent liabilities (1)	$ 9,499.9 million	$15,630.7 million	n.a. (2)

NOTES: (1) Not including certain contingent liabilities, the amounts of which are indeterminate. These indeterminate amounts are in respect of loans maintained by approved lending institutions under National Housing Acts prior to 1954 and guarantees to owners of returns from moderate rental housing projects.

NOTES: (2) These figures are not available since the books are not yet closed.

POSITIONS DESIGNATED AS BILINGUAL IN THE WELLAND-PORT COLBORNE AREA

Question No. 5,154—**Mr. Coates:**

1. (a) What positions have been designated as bilingual in the Welland-Port Colborne area as of January 1, 1976 (b) what positions are projected as becoming bilingual and on what date?

2. What will be the actual or projected annual increases in costs as a result of the bilingual premiums paid to employees?

3. How many public servants have received bilingual training as of March 31, 1976?

4. How many additional employees will receive such training during the fiscal year 1976-77?

5. (a) How will the work load presently carried by employees be carried out during the period they are receiving language training (b) will additional staff be required and, if so, what will be the number and the estimated cost during the fiscal year 1976-77?

6. (a) How many of the present employees will be totally removed from their present employment during the period of language training (b) how many will receive such training during their regular working week (c) will such training be provided by outside sources and (i) if so, what will be the cost for the fiscal year 1976-77 (ii) if not, how will it be provided?

Hon. Jean Chrétien (President of the Treasury Board): 1. (a) Positions designated as bilingual as of January 1, 1976

Department	Position No.	Level	Designation Date
Revenue Canada (Customs and Excise)	53E 00015	CR-4	06-08-74
Public Works	411 0614A	GS-BUS-1	30-09-75
Manpower and Immigration	07103	CR-2	01-08-74
	07106	CR-3	31-03-75
	15099	CR-3	27-08-75
Post Office	58 00026	PO-4	31-12-73
	58 00014	PO-4	30-09-75
	135 00010	PO-4	31-03-75

(b) Positions projected as becoming bilingual

Department	Position No.	Level	Designation Date
Manpower and Immigration	07108	PM-2	30-09-76
Post Office	135 00013	PO-4	30-09-76

2. The amount of premiums to be paid to employees for using more than one language in the performance of their duties is presently under study by the National Joint Council (a special task force examining recognition of language complexity). Consultations are currently in progress and no results are available as yet.

3. As of March 31, 1976, one public servant has received language training in the other official language.

4. Current estimates indicate that two employees in the area will receive language training during the fiscal year 1976-1977 provided, of course, they agree to such training.

5. To the extent to which the employees concerned agree to undertake language training: (a) the departments intend to spread out the workload of employees on language training among their colleagues; (b) no additional staff is expected to be hired.

6. To the extent to which the employees concerned agree to undertake language training: (a) two employees will be totally removed from their present employment during the period of language training; (b) no employees will be receiving language training during their regular working week; (c) language training will not be provided by outside sources: (i) does not apply; (ii) training to be provided by the Language Bureau.

MR. GLEN SHORTLIFFE

Question No. 5,177—**Mr. Cossitt:**

1. Was Mr. Glen Shortliffe recently appointed as a Special Communications Assistant to the Minister of External Affairs and, if so, what (a) are his duties (b) will be his relationship to the news media (c) is his annual salary?

2. Will Mr. Shortliffe have any personal staff and, if so (a) how many (b) what are their names, job designations and salaries?

3. (a) What duties will Mr. Shortliffe perform that could not be done by existing members of the Minister's staff and by Departmental employees, including the Department's press office and Public Affairs Branch (b) in what way is this new position justified in view of the government's restraint programme?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): 1. Mr. Glen Shortliffe has been appointed as Special Assistant (Communications) as part of the departmental staff serving the Secretary of State for External Affairs: (a) To act as spokesman, as appropriate, for the Secretary of State for External Affairs or the department; to provide guidance to the departmental Press Office on behalf of the Minister; to facilitate the provision of information to the public through the media; (b) see (a) above; (c) Mr. Shortliffe is an F.S. 3. The salary range for this category, established by collective bargaining, is $29,892—$40,206.

2. No. Mr. Shortliffe is assisted by departmental support personnel; (a) not applicable; (b) not applicable.

3. (a) Mr. Shortliffe, as a career Foreign Service Officer, is a departmental employee who has been assigned to the departmental staff of the Secretary of State for External Affairs; (b) see (a) above.

Order Paper Questions

Question No. 5,178—**Mr. Cossitt:**

Was the approval of Mr. Ivan Head, Foreign Affairs advisor to the Prime Minister, obtained by the Minister of External Affairs before he appointed Mr. Glen Shortliffe as his Special Communications Assistant and (a) if so, what date was such approval obtained (b) if not, does the appointment represent a move to decrease the influence of Mr. Head on the foreign policy of Canada?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): The question does not arise.

Question No. 5,181—**Mr. Cossitt:**

1. Is the Minister of External Affairs aware that a picture of himself riding a camel during his Middle East visit was widely published in the press?

2. Will one of the duties of the Minister's newly appointed Communications Assistant, Mr. Glen Shortliffe, be to assist the news media in obtaining similar news items on future trips?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): 1. Yes.

2. See replies to Question No. 5,177.

CASE PROGRAMME—FREDERICTON

Question No. 5,195—**M. Howie:**

Since July 1, 1974, how many firms have been assisted by the Counselling Assistance Small Enterprise Programme through the Fredericton, New Brunswick office (a) what area is served by the office (b) how many (i) part-time (ii) full-time staff are employed (c) how much money has been expended on the Programme at the Fredericton office?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as the Federal Business Development Bank is concerned: Sixty-eight firms have been assisted since July 1, 1974. (a) The counties of Carleton, Charlotte, Kings, Madawaska, Queens, St. John, Sunbury, Victoria and York; (b) (i) 63, (ii) 2. (c) $25,885 has been expended since November 1, 1975, the date the Federal Business Development Bank assumed responsibility for the CASE Programme.

AMATEUR SPORTS GRANTS—CONSTITUENCY OF CHAMPLAIN

Question No. 5,206—**Mr. Matte:**

1. Since its establishment, has the Department of National Health and Welfare made grants to support amateur sports in the Constituency of Champlain and, if so, in what amount?

2. In each case, what was (a) its purpose (b) the name of the municipality involved (c) the amount granted (d) the year in which the grant was made?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. The Fitness and Amateur Sport program does not normally cover capital projects and other forms of expenditures that are amenable to a designation by constituency. The nature of the funding program is outlined in the 1974-75 Annual Report of the Fitness and Amateur Sport Branch tabled in the House of Commons on April 27, 1976. (Sessional Paper No. 301-1/150A).

2 (a) to (d). The only financial assistance provided directly to individuals is a grant-in-aid program for the better Canadian student-athletes who wish to continue both their education and competitive careers. From an exhaustive search of departmental records, it has been possible to ascertain the attached list of recipients of grants-in-aid residing in the constituency of Champlain.

Name	Address	Institution	Sport	Amount
		1974-75 Educational		
Filion, Anne	Trois Rivières	C.G.E.P.	Track and Field	$1,200
Montmigny, Claude	Cap-De-La Madeleine	University of Trois-Rivières	Track and Field	$1,800
Renaud, Celyne	Shawinigan South	University of Trois-Rivières	Golf	$1,800
Thibeault, Yvon	Trois-Rivières	McGill	Football	$1,800
		1975-76		
Benoit, P.	Cap-De-La Madeleine	University of Trois-Rivières	Hockey	$500
Thibeault, Yvon	Trois-Rivières	McGill	Football	$1,800

* * *

[Translation]

QUESTION PASSED AS ORDER FOR RETURN

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 3,597 could be made an order for return, these returns would be tabled immediately.

[English]

Mr. Speaker: Do I understand from the parliamentary secretary that two questions are sought to be made orders for returns today? I wonder if I could ask him to repeat the numbers.

Mr. Blais: There is one question, question No. 3,597, which is sought to be made an order for return.

[Text]

HABITUAL CRIMINALS

Question No. 3,597—**Mr. Reynolds:**

Will the Solicitor General advise on what date the following inmates listed as habitual criminals on the Canadian Penitentiary Services Temporary Absence report were sentenced as habitual criminals (a) Ferndale Institution (i) inmate No. 1211, number of passes—26 (ii) inmate No. 1008, number of passes—8 (iii) inmate No. 8325, number of passes—18 (iv) inmate No. 2334, number of passes—17 (v) inmate No. 7649, number of passes—90 (b) Agassiz Correctional (i) inmate No. 4971, number of passes—23 (ii) inmate 6020, number of passes—9 (c) Mountain Prison Institution (i) inmate No. 7059, number of passes—153 (ii) inmate No. 5837, number of passes—3 (iii) inmate No. 1387, number of passes—42 (iv) inmate No. 2698, number of passes—14 (v) inmate No. 2623, number of passes—14 (vi) inmate No. 3302, number of passes—21 (vii) inmate No. 1255, number of passes—4 (viii) inmate No. 3302, number of passes—8 (ix) inmate No. 3455, number of passes—5 (x) inmate No. 4554, number of passes—19 (xi) inmate No. 3455, number of passes—2 (xii) inmate No. 2763, number of passes—41 (xiii) inmate No. 2020, number of passes—12 (xiv) inmate No. 2174, number of passes—13 (d) Matsqui Medium (i) inmate No. 7522, number of passes—10 (ii) inmate No. 3712, number of passes—4 (iii) inmate No. 7640, number of passes—2 (e) William Head Institution (i) inmate No. 7950, number of passes—3 (ii) inmate No. 2141, number of passes—6 (iii) inmate No. 4209, number of passes—23 (f) Bowden Institution, inmate No. 1972, number of passes—52 (g) Drumheller Institution, inmate No. 2511, number of passes—3 (h) Saskatchewan Penitentiary (i) inmate No. 2170, number of passes—3 (ii) inmate No. 1998, number of passes—9 (i) Pittsburgh Institution, inmate No. 9764, number of passes—11 (j) Col-

lins Bay (i) inmate No. 7075, number of passes—7 (ii) inmate No. 9506, number of passes—3 (k) Ontario Psychiatric Centre, inmate No. 1509, number of passes—10 (l) Cowansville Institution (i) inmate No. 5277, number of passes—3 (ii) inmate No. 7275, number of passes—5 (m) Archambault Institution (i) inmate No. 0372, number of passes—1 (ii) inmate No. 5926, number of passes—1 (n) Leclerc Institution, inmate No. 0060, number of passes—2 (o) Laval Institution, inmate No. 8310, number of passes—3 (p) Westmorland Institution, inmate No. 2466, number of passes—9 (q) Dorchester Penitentiary (i) inmate No. 1630, number of passes—6 (ii) inmate No. 1847, number of passes—12?

Return tabled.

[*Translation*]

Mr. Speaker: Shall the remaining questions stand?

Some hon. Members: Agreed.

[*English*]

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, for those who might have paid attention to the point of order raised by the hon. member for Kootenay West a short time ago relating to the presence or absence of ministers, all ministers who are not in the House are busy on official business elsewhere, and I think the comments of the hon. gentleman are absolutely unfounded.

Some hon. Members: Hear, hear!

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—ALLEGED GOVERNMENT FAILURE TO INSTITUTE INDUSTRIAL STRATEGY

Mr. Max Saltsman (Waterloo-Cambridge) moved:

That this House condemns the government for its lack of an industrial strategy which (a) has resulted in falling production, job losses and uncertainty, as in the cases of Westinghouse, Microsystems, Dunlop Tire and others, and (b) is a major cause of today's unemployment rate of 7.4 per cent, which means that 761,000 Canadians are without jobs, a situation that calls for immediate action.

He said: Mr. Speaker, our purpose in bringing this motion to the attention of the House is to indicate what we think is probably the most important cause of unemployment in Canada, that is, the lack of an industrial strategy on the part of the government, to try to make some specific references and to draw some lessons from those references as to why we have failed to create jobs in this country. It takes some kind of perverse genius for a government to create a disaster in a land as fortunate as Canada, with all its resources both human and material.

The people on the other side of the House must have to try very hard to give us probably the highest level of unemployment in the western world, a rate of 7.4 per cent: they really have to work at it. It is not that the problem of an industrial strategy and its effect on unemployment has not been studied in this country. If we are good at anything at all, it is studying things. While we may not have much of a military strategy, we certainly have a "navel" policy in the sense that we keep looking at our own all the

time. However, nothing seems to do much good. We have had all these studies going back to the royal commission of Walter Gordon. It seems hardly a year goes by that something is not studied. Occasionally work is found for the other place, and its members throw in a study. We have set national objectives. It is not as if we do not know what sort of policies we want to have.

We started off with the objectives of the Economic Council of Canada for an industrial and economic approach. We went on to the approach of the Science Council. Then a number of years ago the government brought out a foreign policy review paper which was supposed to set down the kinds of objectives this country wanted to achieve in terms of social and economic policy. If we go back even further than that, we find that a man who was not very prone to do any planning at all had his own kind of review policy. Following the Second World War, Mackenzie King in fact had a study commissioned to see what we could come up with in terms of a strategy.

We do not need to do any more studying. There are studies all around us. What we need is a government which is determined to do something from what has been studied until now. I can appreciate that planning is not an easy thing to do, that there are difficulties in a country like Canada, and that there are differences between provinces and differences between various groups in our society which have to be reconciled.

● (1510)

Of course, it is very easy for a government to simply ignore the problem and take the attitude that if they do nothing about it, perhaps it will go away. For years and years they were able to live off the resources of this country, not doing anything, and the problem tended, if not to go away at least to go underground. We are reaching a new stage in our development, however, where that is not going to be so easy. We are no longer as rich as we were. We can no longer count on the bounty of nature, the oil under the ground or the minerals that were easy to obtain, in order to be assured of our future. We will have to start thinking about where we are going and about conserving our resources. While the Prime Minister (Mr. Trudeau) talks about a new society, there is no evidence that his government has dealt with the old society, let alone know what they are going to do with the new one.

To demonstrate some of the points I wish to make, perhaps we should look at what might be called a Tale of two Cities. One is the city of Hamilton, and the other the city of Whitby. One has to do with appliances, and the other with tires. Their experiences demonstrate why we have not been able to create enough jobs in Canada, and the shortsightedness of our government in developing strategy. Recently, the leader of my party received a letter from Mr. William Love, president of local 494 of the United Rubber Workers Union, in which he expressed concern about what has been happening in the Whitby plant that was bought from Dunlop by Firestone.

Briefly, the history of the plant shows that it was formerly owned by Dunlop Canada Limited and was sold to Firestone Tire Company in August, 1974, when it was given the name Whitby Tire Limited. Since October, 1975, the name has been changed to Dayton Tire Canada Lim-

ited. That company has laid off approximately 120 employees indefinitely and has lost another 70 employees due to those who quit or retired and have not been replaced. There had been 530 members of the bargaining unit under Dunlop, and when Firestone bought the plant they promised to increased employment by 200 or 300 people. Production at the plant has dropped from an average of 6,000 passenger and truck tires per day to the present level of 3,000 tires per day. There does not seem to be any plan to increase production above 3,000 tires a day for the balance of the year, and the union is worried that there will be further lay-offs.

I asked the Minister of Industry, Trade and Commerce (Mr. Jamieson) if he would look into conditions at this company. Firestone can no longer use the "Dunlop" name because there was a three-year agreement that they would manufacture tires under the Dunlop licence and then start to manufacture an unbranded line. Dunlop was going to continue production of tires, but in the United States where they could take advantage of the "Dunlop" trade name. They would then sell the tires to Canada. We received information that Dunlop were setting up warehouses, or encouraging distributorships by assuring them that there would be tires of every size and line shipped to them from the United States.

When we approach the government and point out that jobs are being lost in this country, they generally reply that it is because of a soft market in the United States. They always give that reason, instead of the reason being their own soft heads. In this case, however, we are talking about the Canadian market. What happened was very convenient for Dunlop. There was a great fuss three years ago when Dunlop closed down operations in Canada, but it was pointed out that Firestone was taking over and production in this country would continue. But it seems, now, that Firestone used that time to organize the transfer of production from Canada to the United States.

The rubber industry is an example of one of the things that is wrong with this country's industrial organization. Because of a foreign ownership pattern of setting up branch plants in Canada, we have a miniature replica of the American market, and to some extent the British market. Every major brand name is represented in Canada. If one is missed, the government goes out and encourages a French manufacturer to come in.

It does not take much knowledge or business to see that if we cannot handle the number of brands and options we already have in a market one-eleventh the size of the United States market, that it is impossible for us to get the long runs necessary for the efficient production we need to allow us to compete. That, coupled with the fact that some of these companies set up plants, then go back to the United States and export to Canada, cuts our market into pieces. The government talks about plans to step up exports and invade other markets; but, Mr. Speaker, before we can take other markets we must be able to look after our own. In many instances we have failed to satisfy our own market, and therefore we have a weak industry.

A radio interviewer spoke to me this afternoon before I came into the chamber. He wanted to know whether I intended to talk about productivity. I told him that was not the main theme of my discourse and I would speak about it only indirectly. He asked if worker productivity is the problem. I replied that when people talk about productivity they assume it is directly related to the worker. Mr. Speaker, a worker can only be as productive as is permitted by the industrial structure in which he works; he depends on the tools and machinery that are supplied. He cannot produce tires just by sweating; he needs technical organization, marketing expertise and, in general, a rational industry—which this industry is not.

Studies show that this country employs more capital per worker than any other, including the United States, yet our workers are not as productive. That is not because they do not work as hard; it is because industry is organized in such a way as to make it virtually impossible to get high productivity in this country while providing the number of jobs needed. When workers in this country ask for parity of wages with their counterparts in the United States because they claim they work as hard, the companies tell them that they are only interested in cheap labour in Canada and do not wish to give them parity because it will price them out of foreign markets. When the hon. member for Brant (Mr. Blackburn) speaks he will give some examples of this from his own riding.

I remember when there was a strike at Massey-Ferguson, in the Brantford area, and a consultant was hired by the company to explain to the workers why they could not receive parity with American workers. The argument he put forward was that the company had concentrated its labour-intensive production in Canada, and if they had to pay the same wages here as in the United States they might as well move to the United States. That was not a foreign company, Mr. Speaker, but a Canadian company.

What had happened to the free trade that was supposed to be the panacea to all Canada's industrial problems was that a great Canadian company transferred all its high technology to the United States. Its capital-intensive production was concentrated there, and it left little more than assembly-line plants in Canada. In effect, it was telling workers in Canada that if they wanted even this kind of employment, they would have to accept a lower standard of living than their counterparts in the United States. That kind of argument could hardly be accepted by the workers.

● (1520)

I have spoken about Dunlop and what happened there. The work was transferred to Firestone, because Dunlop has the name, can export to Canada, does not need a plant in this country, has built up consumer confidence in its name and has used the deductibility of advertising, which should have been a capital consideration rather than a deductible one, to enhance its position. Now the employment will take place in another country, but the market will be in Canada.

In Hamilton, the same situation faces us. In that city an industry producing white goods, Westinghouse, is up for sale. A Canadian manufacturer, GSW, wants to buy this industry. They thought a sale would take place and that the name "Westinghouse" would go with the sale. To their surprise, the parent of Westinghouse said, "No, you have no right to the name and cannot use it in the white goods industry." The Canadian company said that if they could not use the name or make some arrangement to use the

Westinghouse name, the American company could simply move in with exports from the United States which would compete with the product of the Canadian company, products manufactured by the assets the Canadian company had acquired.

What has happened? FIRA has turned down the American application to buy out Westinghouse. Presumably, it has not said anything about the Canadian application, because the Canadian application is not before FIRA and FIRA does not have to rule on a take-over by a Canadian company. There seems to be a fair amount of sympathy on the part of FIRA for the Canadian company to take over Westinghouse. The recommendation has gone to cabinet.

It seems, from all we hear that the Minister of Industry, Trade and Commerce is sympathetic to the recommendation of FIRA. But this has been going on since last August and there has been no decision from cabinet on the matter. We have heard complaints from the Canadian company, GSW, which is a reputable company. It says it thought it understood what the Canadian government wanted; it thought it understood Canadian industrial strategy, which was aimed at rationalizing the white goods industry. At one time there were as many manufacturers of refrigerators in Canada as in the United States—an impossible situation. The company thought that the government intended to rationalize industry. Although this government has never had an industrial strategy, it has brought in sectoral policies which deal with one industry or another.

At any rate, GSW was under the impression that the Canadian government had such a policy and would welcome a Canadian company taking over a foreign company in Canada for the purpose of rationalizing. Their position seemed strong. It was reinforced by the union which wrote to the Canadian government and said, "We prefer the GSW take-over rather than the White Industries' take-over." They recognized that White Industries have not been a positive influence. White Industries were in London; they closed the plant down as soon as they bought another. Their attitude to labour-management relations leaves much to be desired. So you have the unions supporting the GSW company. On top of that, the Committee for an Independent Canada also supported the GSW take-over. Therefore, FIRA was against the American take-over; there has been positive support for the Canadian company, but the matter has been in abeyance before cabinet since last August. Why?

I will tell you one reason, Mr. Speaker. The government is afraid of the United States, afraid to make this kind of decision and afraid of being accused of favouring a Canadian company. I wonder why that is the government's attitude in matters of industrial strategy, matters which involve the jobs of people and the future livelihood of this country. Why is the government so afraid? Evidently there was no such fear in the case of *Time* magazine—although there was at one "time". Excuse the pun. But the government changed its attitude. It is hard to know why the government has not made a decision on this amalgamation or take-over, whichever way you want to look at it.

It seems to me that it is vital to establish a strong Canadian industry, whether publicly or privately-owned. In our view, we need a strong Canadian industry. It seems to me that the cabinet should have made its decision a long time ago. Failing that, it should at least make its decision now. That decision should be in favour of GSW, the Canadian company, rather than in favour of an American company.

Some hon. Members: Hear, hear!

Mr. Saltsman: It has the support of FIRA, the support of Canadian unions and the support of the Committee for an Independent Canada.

Mr. Cafik: Mr. Speaker, may I ask the hon. member a question?

The Acting Speaker (Mr. Turner): Order, please. Will the hon. member for Cambridge-Waterloo (Mr. Saltsman) accept a question?

Mr. Saltsman: Mr. Speaker, I will be pleased to receive a question later. I should like to continue my argument at this time. May I ask which hon. member wishes to ask a question?

The Acting Speaker (Mr. Turner): The hon. member for Ontario (Mr. Cafik).

Mr. Cafik: I should like to correct what the hon. member just said.

The Acting Speaker (Mr. Turner): He wishes to correct a statement the hon. member just made.

Mr. Saltsman: Mr. Speaker, if the hon. member for Ontario (Mr. Cafik) does not mind, before I sit down I will be happy to accept his question. The question of trademarks is involved in this matter. I must underline the importance of trademarks as they are a factor which make it virtually impossible for Canadians to compete. There are many weaknesses among Canadian capitalists. On the other hand, the Canadian capitalist who must compete with the American giant and the advantages of American capitalists faces many difficulties.

In the case of Dunlop, how does one compete? Firestone sets up a plant which will produce unbranded lines. Dunlop has the name, has set up its distributorship system and can take advantage of overflow advertising. This has been going on over the years. Tires are a bit of a mystery to most people. The government has not adopted any adequate way whereby the public can be told, "This is a good tire. That is a bad tire." There is no comparative testing, and tires need not conform to any standards except the manufacturing standards. Therefore, the consumer is placed in the position of not knowing and must depend on the brand name. When you have a brand name, you have a stranglehold on a particular market. The point is that all the brand names in this country are American brand names, and as long as American firms can use those brand names in Canada they have a stranglehold on the Canadian market unless we break it.

I have had discussions over the years with members of the government who have said that perhaps we should act unilaterally in the case of Westinghouse and do something about the brand name. What they do not see is that it would be wrong to do this with one specific company. By

doing this you would be arbitrary and discriminatory and the government might have a tough time if it were taken to court. No government, particularly a Canadian government, has the right to behave in that way. If it wants to bring in a policy, it must apply it to everybody. It must have a general policy on brand names. Brand names are becoming a problem—a problem concerning FIRA in cases of the Canadian take-over of American industries. This is probably the most serious impediment to rationalizing the Canadian industry and the ability of Canadians to take over American industries, and the government must do something about it. They say, "No other country has disallowed brand names or the use of brand names."

Mr. Knowles (Winnipeg North Centre): No other country has the same degree of foreign ownership of its industries.

Mr. Saltsman: No other country has the same degree of foreign ownership of its industries. It is no good behaving like Boy Scouts. Boy Scouts are well and good, but not when you are involved in these kinds of enterprises. We are living next to the United States and they have a stranglehold on our economy. I do not blame the Americans for anything; I have never blamed the Americans. The only person you should blame for being stupid is yourself. This government and governments before it have been stupid in permitting the degree of foreign ownership which has grown up in this country. They must do something about that now. I know that there are cabinet committees trying to deal with this business of trademarks. They will have to find a way whereby if a Canadian industry or company takes over a foreign industry or company, the use of certain foreign trademarks used by the company in this country will be a matter of national interest. We are the only country in the world with this problem.

I know that there are international conventions on trademarks and that suggestions in this field are not to be made lightly. Some of these matters are settled in international agreements, and I am generally in favour of international agreements. But when something this big is involved, when we are concerned about what has happened in the country because of historical developments, I think the rest of the world will understand if we act. We are not trying to take anything away; we are not trying to take any right away; we merely wish to say that certain trademarks will not be allowed to be used in this country.

● (1530)

I have said that the use of manufacturers' brand advertising and trade marks is, in many cases, one of the reasons we cannot reduce costs and achieve more effective production units. Even if we in Canada wanted to limit selling costs—and it has been proposed that we should limit them as a deductible item—there is too much huckstering going on; it would not do much good. This is pointed out by Canadian advertisers. All you would do is ensure an even larger share of the Canadian market to the Americans because their overflow advertising dominates this country. Every attempt at national policy would be frustrated in this area because we have permitted them to take advantage of a name that has been built up in another country. There was a time when trade marks and brand names provided important reassurance to the consumer about quality. That was a time when butchers had heavy fingers, scales were not weighted, crackers came in big barrels and were not packaged—but that day has passed.

Mr. Broadbent: Look at Ford.

Mr. Saltsman: Yes, even the trade mark is no longer a guarantee of quality. The public, of course, needs some kind of reassurance. They need something better, in the way of reassurance, than brand names. Why should not gasoline be sold by octane rating or some other definable quality, in the same way meat is sold by definable quality, rather than by brand? There would be much better assurance to the consumer. It would certainly be much less costly in terms of advertising.

We see now that there is a growth of unbranded lines in Canada. People are in fact moving to reliable dealers and substituting confidence in the retailer for confidence in the brand name. That sort of thing should be helped along. There is some question that FIRA has the power to deal with brand names. That is not at all certain. If FIRA does not have power, it should be given it. I have watched the activities of FIRA. I know there has been a lot of criticism of the Foreign Investment Review Agency. Some think they are doing too much, and others not enough. I have come to the conclusion that they are trying very hard to do a job.

In some cases, FIRA is usurping the authority that properly belongs to the politician. In the committee hearing the other day I asked the vice-president of FIRA whether he found the absence of an industrial strategy was creating difficulties for himself in terms of trying to make decisions about what was of advantage to Canada. With a little laugh he said, "Well, we make it up as we go along", or words to that effect. He was not going to comment on whether it was an industrial strategy. Because there is not political decision of industrial strategy, and because there has been no intelligent sitting down and determining what should be our strategy in Canada, agencies like FIRA are making decisions. I am not going to condemn FIRA for making that decision, because somebody has to do something, but surely it is wrong for policy to come in by this back door way.

I hear members of the government criticize the bureaucracy, the civil service, for usurping power unto themselves. When that happens in the civil services it is because the political leaders have failed to make the decisions even though they clearly have that power. Decisions are going to be made. If they are not made by the elected representatives of the people, they will be made by the captains of industry or the bureaucrats. Somebody will come to some conclusion. The proper people to do it are the representatives of the people, and the logical place for decisions to be made is here in the House of Commons. Members of parliament can be judged. If people approve of the decisions we make, we return: if not, they elect those who will make decisions of which they do approve.

My time is drawing to a close. There are a great many things to be said in this area. I have only touched very briefly on the problem. There is a question I would like to receive. This is a serious matter in terms of an industrial strategy. The government can now start, at least in a small way, to worry about employment in this country by seeing

that the GSW take-over is approved and by strengthening the hand of FIRA to deal with industrial property, as well as planning with regard to the state of economy and how to create more employment.

The Acting Speaker (Mr. Turner): The hon. member for Ontario may now ask the hon. member for Waterloo-Cambridge a question.

Mr. Cafik: Mr. Speaker, I would like to address a question to the hon. member for Waterloo-Cambridge (Mr. Saltsman). I may not have fully understood what he said. However, I believe he indicated the cabinet had not made a decision in connection with the FIRA application respecting White Consolidated. If that is what he said, I wish to draw to his attention that the cabinet did make a decision on this question some weeks ago. I thought the hon. member would have known that, before spending so much of his time criticizing the government for not making a decision it had already made.

Mr. Saltsman: Mr. Speaker, I have to agree with the hon. member for Ontario to this extent: a cabinet decision to do nothing is still a cabinet decision. I suppose a cabinet decision is anything that shows up as a minute of cabinet. That is the kind of decision they have made. They have not made a decision regarding trademarks. The take-over has not been completed. There is no "go ahead"; it is away up in the air. What they have done is temporize, and a decision to temporize is not a decision worthy of government.

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I wish to start by apologizing on behalf of my colleague, the Minister of Industry, Trade and Commerce (Mr. Jamieson), for whom I am pinch-hitting. He had to honour a long-standing and significant commitment he had made in the west. I want to convey to the hon. member for Waterloo-Cambridge (Mr. Saltsman) the minister's personal regret at not being present for the debate, and assure him that the comments made will be passed on to him in detail.

The hon. member for Waterloo-Cambridge covered a number of specifics and also generalized in the whole area of industrial strategy. While I will not be able to deal with many of the specifics in terms of local issues or particular cases, I want to spend a little time trying to get into focus the kind of industrialized performance of this country to which we are addressing ourselves when we talk about the need for an industrial strategy of some comprehensive nature. Before I do that, I want to point out that in the case of the White and GSW issue, this matter has not been neglected nor cavalierly treated. As the hon. member well knows, it involves some very complex issues, particularly the issue of trademarks.

There has been a great deal of consideration about it. I think the hon. member implied in his comments—in a quiet way, anyway—his recognition that there is a potential breach of a long-standing arrangement and the honouring of trademarking internationally. He also suggested that he recognized this could not be treated lightly when making a decision. Of course, that is at the very root of the GSW-White-Westinghouse dilemma.

Getting back to the more generalized approach, before we try and get at what an industrial strategy should or should not be we should get our sights clear on where we stand now with regard to performance in Canada. During the early 1970s the industrialized world experienced a boom of unprecedented proportions which led to a number of structural maladjustments and distortions—rapid and large changes in energy prices, food shortages, and other supply-demand imbalances. With this situation, economic adjustment and consolidation became inevitable.

● (1540)

The recession of 1974-75—and this is something I believe we often lose sight of—has been a worldwide phenomenon not peculiar to Canada, and although we may score points by emphasizing our own problems here, policy responses cannot be made in isolation. Unemployment rates and unused productive capacity in the major industrialized nations rose during the first half of 1975 to levels unprecedented since the end of the Second World War. For OECD countries combined, the real growth in the national product declined at a rate of about 5 per cent during the first half of the year. After that, economic conditions began to pick up.

The figures show that in comparison to other major industrialized countries, and with the OECD group in particular, Canada did not perform too badly. It experienced, during that period, a positive growth. The actual figure is .2 per cent, which is not one we would ordinarily boast about, but the fact is that every other country, with the exception of Japan, did worse. In the United States, it declined by 3 per cent; in France, it declined by 2 per cent; in Germany, by 3.5 per cent; and in Italy, by 4.5 per cent. As I say, Japan was the only other country within OECD to show positive growth, with an increase of 1.5 per cent. So we did not do so badly there.

In other words, the slackening of economic activity in Canada was much less severe than in most other nations. This is particularly true in comparison with the United States. We use such a comparison very often because, after all, the U.S. is our major market; it is close to us and there is a general similarity in our approaches to industry. Our real growth in 1975 was 3 per cent higher than in 1973, as against a decline of 4 per cent in the United States during the same period. The volume of industrial production in Canada declined by about 2 per cent between 1973 and 1975 but, again, one must compare this experience with a drop of over 9 per cent in the United States. The average unemployment rate in Canada for the three-year period was 5.9 per cent of the labour force, compared with 6.3 per cent in the United States.

More encouraging still, Mr. Speaker, economic activity in Canada has been advancing on a broadening front since the second quarter of last year. For example, output by industries which are producing goods was 3.2 per cent higher, on a seasonally adjusted basis, in January, 1976, than for the first quarter of 1975. Canadian employment in April, 1976, at 9.3 million, was 3 per cent above the total for the same month a year earlier. Exports for the first quarter of 1976 were 13 per cent higher than for the comparable period in 1975. Changes in export markets had been, in fact, the single most important factor in the slowdown of the Canadian economy.

Industrial Strategy

The principal cause for the decline in the volume of goods exported in 1975 was the recession in the United States, our principal market, particularly in housing and automobiles, coupled with the modest level of recovery achieved in that country by the year-end. Another factor which contributed to the reduction in the volume of Canadian exports was the decline in the other OECD economies during the first half of the year and their sluggish recovery thereafter. These were circumstances which no strategy within Canada on a short-term basis could seriously affect.

Other factors include lower oil exports—made necessary for reasons which no doubt hon. members opposite understand—and based, really, on a shifting of policy rather than on market considerations. Our exports of pulp, paper and asbestos also suffered. One offsetting element came in the form of increased exports to OPEC countries. With the improvement in world economic activity now gaining strength, particularly in the United States, it is now our expectation that Canadian exports will expand and lead to a further strengthening of domestic economic activity.

Even though recorded unemployment for April, at 769,000, accounted for 7.4 per cent of the labour force, the Canadian experience in recent months has been better than in the United States. Moreover, it should be noted that the significance of any particular rate of unemployment is no longer the same in terms of economic hardship associated with a temporary loss of work, as was the case even five or ten years ago. Part of the reason for this is the substantial upgrading in the scale and extent of unemployment benefits.

Then, again, a much larger proportion of the unemployment total represents people who are in a position to change jobs, enter into or withdraw from the labour force at frequent intervals. Also of significance is the fact that despite an international recession, nearly 1½ million more people were employed in Canada in 1975 than was the case at the start of this decade in 1970. This does represent a considerable achievement, given the fact that Canada has experienced the most rapid labour force growth among the industrialized countries of the world.

A great deal of attention is now being paid to Canada's productivity performance. The dominant factor in this area in 1974 and 1975 was the economic recession and, more recently, the beginning economic recovery. Statistics which purport to show that Canada's productivity performance in manufacturing has deteriorated are really only revealing the obvious, which is that favourable productivity depends in large measure on the stage of the business cycle. It is certainly true that during a business recession productivity is normally inferior because, in the face of a slackening in demand for durable goods which is reflected in industrial production, it is difficult to obtain good productivity performance in a situation where men and machines are underemployed and producing in well below optimum conditions. This is the stage at which Canada, along with nearly all the industrialized nations, found itself throughout most of 1974 and 1975.

Thus, Mr. Speaker, if we look at the facts we find that Canada's productivity in the manufacturing field has been relatively favourable. During the decade 1964-1974, output per man-hour increased by close to 4 per cent per year,

[Mr. Andras.]

compared with an increase in the United States for the same period of only 3 per cent. We know that in 1975 our output per man-hour was virtually flat. On the other hand, in the United States it registered a decline of nearly 1 per cent.

● (1550)

In the initial stages of an economic slump, employers are loth immediately to lay off workers as demand declines, and this is reflected in relatively poor productivity. On the other hand, when the economy is coming out of a slump, then at least in the early stages of an uptrend large increases in output are registered, with very little increase in the work force. It is sad that in a way the growth of employment lags behind economic growth, but there is a gain in terms of productivity. I think it is important not to win debating points; rather, we should try to develop a proper policy response and should put these matters, in this case productivity, in their proper perspective. Productivity in both Canadian and United States' manufacturing should show a very marked improvement this year as the economic recovery gets well under way.

For several reasons, care should be taken in interpreting recent cyclical productivity changes and trends. First, statistical estimation has been unusually difficult because of rapid changes in the inflation rate. Unquestionably, these will be subject to later revision under the statistical base that we are using. Second, unusual changes have been taking place in the structure and use of the labour force, and these may have reduced the aggregate productivity trend in recent years. These changes include factors such as the increased use of part-time workers; particularly in this country, the sharp rise in the number of young people coming on to the labour market; and we are also attracting women into the market and seeing an increase in their participation rate. Finally, and regrettably, there was the relatively high level of strike activity in 1974 and 1975.

That gives the House the background to the situation, Mr. Speaker. Since we in this country tend to uncover, exploit, elaborate and dwell upon doom and gloom, I think it is also useful to look at some of the strengths of our economy, to put them all together in an attempt to reach some better policy response. We should not concentrate on overstressing gloom, or indulge in too much optimism about the good things; we should try to achieve a balance.

The government recognizes that continuing improvement in the levels of Canadian productivity is necessary and vital to enable the expectations of all our people to be fulfilled, as well as to ensure that Canadian industry remains relatively and competitively strong. Government policy has fairly consistently placed high priority on measures to sustain business investment in Canada, with particular emphasis on the manufacturing industry. Measures that were taken to achieve this aim have not always found favour with the opposition. I refer in particular to the budget measure of June, 1975, in regard to which the minister said this:

> It is well known that our policies have sought to encourage a strong manufacturing sector. We have provided long-term tax incentives to assist our manufacturers and processors to compete in domestic and foreign markets.

So let hon. members not tell us that there has not been a strategy or a tactical approach. They might disagree and would put it another way, but that is a matter of program implementation, not necessarily policy disagreement. As I recall it, the then minister of finance went on to say that if our economy is to remain productive and competitive and capable of providing jobs, we must ensure that we have modern capital facilities with which to work and we must guard against any slowdown in investment. The budget of June, 1975, introduced an investment tax credit as a temporary extra incentive for investment in a wide range of new productive facilities. Hon. members will be familiar with the details.

Another element in the government's policy is to work, we hope increasingly closely and in more detail, with industry, provincial governments and labour. The Department of Industry, Trade and Commerce has established a much more comprehensive consultative mechanism with industry to provide a systematic and structured framework for consultation. To date, seven industry sector consultative committees have been established, each of which is made up of a dozen or so executive officers of the industry who have been chosen as being able to make a positive and personal contribution to a better understanding by ourselves and industry of the performance of the particular sector concerned. These industry sector consultative committees are designed to act as a forum to review developments in industry, to ensure that the government is fully informed about matters affecting the health and viability of the particular industry, to identify emerging opportunities as well as clearly to establish constraints. This will enable us to have realistic policy and program development.

They are also designed to serve as a first-line sounding board for the Department of Industry, Trade and Commerce and other federal departments against which tests may be made on industrial policy initiatives with either selective or across the board impact. They also have the objective of assisting in the identification of the need to develop specific sector policies and, as appropriate, to assist in the establishment of specific sector committees as well as to assist the government in communicating government policies to industry.

Committees are also in place for the chemicals, machinery, iron and steel, furniture and forestry products industries. In addition, five special sector committees have been established which will, on an ad hoc basis, provide advice and input on sector opportunities and constraints and options available to deal with them. More specifically, the special sector committees will assist the department in developing an in-depth analysis of the sector structure and performance in the domestic and international environment; in evaluating the current and future prospects for the sector, taking account of regional, national and international advantages and constraints. They will also identify the contribution that the industry can make to the national economy in terms of industrial development goals and outline the constraints that might inhibit achievement of these goals. They will propose policy initiatives which the government can take to assist industry in increasing its contribution to national objectives.

These and other initiatives are in keeping with developments and are in addition to the ongoing consultation and discussion that takes place with industry and between federal and provincial governments at various levels. I think the record shows a consistent emphasis on measures to promote the development of an internationally competitive manufacturing and processing industry in Canada, with emphasis on improving our industrial efficiency.

In closing, Mr. Speaker, may I say that I regret my colleague had to be away. He would very much have preferred to change his arrangements, but that was impossible. We will take note of all the points that are made by various speakers. The minister's parliamentary secretary is here as well, and between the two of us we will convey to the minister the constructive points that are made, and try to debate and answer those that might not, in our opinion, be so constructive.

Mr. Arnold Malone (Battle River): Mr. Speaker, I am very pleased to take part in this debate which has been introduced by the hon. member for Waterloo-Cambridge (Mr. Saltsman). I should just like to make reference to what I think is the key word in his motion. The motion commences:

That this House condemns the government for its lack of an industrial strategy—

I think we should focus on the word "strategy"; certainly that particular word was missing in the response of the minister. In responding to the opening speech in this debate, the minister said that part of the difficulty we are in today is caused by world wide inflation. He excused the government on the ground that energy costs so much in Canada today. He went on to say that we only had a .2 per cent increase in the gross national product, and took some pride in the fact that Canada at least had some increase while many other nations showed a decrease. What we are missing in this whole position is recognition, by the tone of what the minister said, of the fact that there is no strategy within Canada relating to incentives to industry and industrial development in this country.

● (1600)

The minister went on to point out some projects the government is attempting to implement, such as the incentive investment tax credit. What this really means, when we think of the semantics of the word "strategy", is that we do not have an over-all approach but, rather, something that is growing like Topsy. We have the handling of one problem when it arises or surfaces in a crisis situation. Then the government opts to handle the next most important crisis as it comes along. I think this is unacceptable for a country such as Canada, with one of the greatest natural resource bases of any country in the world, a country with one of the greatest human resources and a country with very substantial energy resources. This country has energy resources far beyond its fossil fuels, oil and natural gas. We have energy resources in this country in the form of vast basins of hydrocarbons—and I mean our coal deposits. We also have a tremendous undeveloped source of energy in this country, and I think of water tidal power and wind power.

The suggestion that we are in the situation we are in at the present time because of the increase in the number of

women entering the work force is really an admission by the government that it is not prepared to cope with the situation. That kind of excuse is unacceptable from the government. What it really means is that this government has not paid full attention to the fact that it is not only considered a right, but a normal situation of life in the 1970s that there should be adequate jobs for females entering the labour market. It is an admission by the government that it is not prepared to gear up to the kind of society which allows full participation of both females and males in the work force of this nation.

The government talks about the sluggish market in the European Economic Community and the decrease in our exports of oil and other products. All I can suggest is that if we take that kind of approach for not being at the industrial level we ought to be at in this country, all we are really saying is that we are puppets of the international economy, being manipulated by forces outsides our own control. This, then, is a full admission that Canada as a nation does not have an industrial strategy. That is exactly what this motion is all about.

In listening to the response by the minister—which was a listing, cataloguing or a detailing of excuses the government has for the situation in which we find ourselves—it all added up to one simple conclusion, that is, that the motion is certainly accurate. Indeed, there is certainly no industrial strategy when one considers the meaning and the perspective of that word.

If we are talking about military strategy in time of war, we are talking about the whole effort in terms of strategy; how all the forces knit together in terms of attempting to reach an ultimate conclusion. The ultimate conclusion for Canada, in terms of industrial strategy, is the development of full employment. We did not hear, in the response by the minister, anything about what is to be included in the forthcoming budget, or anything about what is going to happen in 1976 and 1977 in the way of some new thrust or policy toward a strategy that in this country would lead to a position of full employment. This simply underscores the whole need for a motion such as the one put forward today. The motion simply points out, in fact, that in this nation there is no industrial strategy, and a full admission of that fact by the government today.

I should like to take some time to detail how serious is this lack of industrial strategy in our country today. The unemployment situation in April, 1976, was nothing less than atrocious. It has reached a level higher than any other since 1961; it went from 6.6 per cent in January of this year to 7.4 per cent in April. This means that since January until April of this year there were 80,000 more Canadians unemployed.

It is difficult to get a proper perspective of this unemployment situation and what it means to have 80,000 people unemployed. What it really means is that double the number on the voters' list in my constituency are now unemployed. I think this begins to point out the degree to which we have not addressed ourselves to providing full employment in this country, and how serious this fact is. Last year, between January and April, we had an increase in the number of unemployed of 65,000.

Another way of looking at the seriousness of unemployment and the damage it causes society is through a comparison of expenditures under the Unemployment Insurance Commission. Last year these expenditures increased by 90 per cent. When we consider this 90 per cent increase in expenditure through unemployment insurance, we must realize that this was in the first couple of months of the year when this nation had almost stable employment.

What has been the government's record in that period of time? We have had a 15 per cent increase from that period when the employment rate was stable. We now come to the month of April and note a tremendous upsurge in the unemployment rate. When we realize the tremendous increase in cost when the employment rate was nearly stable, we can see that this obviously means we are going to experience something astronomical in terms of increased cost. Let us look at the figures in actual terms of cost. Total pay-outs under unemployment insurance a year ago amounted to $3,175 million. What this really boils down to is an admission to Canadians that not only do we have to suffer the pangs of not being able to find adequate jobs in this country, but very often of not being able to find jobs of any kind. In addition, the people who are working are having to carry a tremendous burden, mainly because this government has not developed any kind of industrial strategy that allows a full degree of employment. As the amount of unemployment increases throughout the country, one thing becomes obvious, and that is that the individual who is working must carry a greater burden and pay for this additional cost. It is out of his pay cheque that these increased payments are made. As a result, these increases in unemployment and the resulting increases in unemployment insurance benefits are devastating.

What is more important than the statistical increase in the number of unemployed is the fact that for the first time in recent years we find that the people who are unemployed are those in the 25-year age group and older. Historically, the increase in unemployment has occurred when students graduating from high schools and universities have come into the labour force. That is not now the case. We are finding that those who have had jobs over the years are now becoming unemployed because of the decreasing number of jobs. People in this bracket normally were not vulnerable to unemployment. These were the people who were starting their families and for whom there was never a scarcity of employment. Traditionally, unemployment has increased when these young people have not been able to find their first job. But that is no longer the case. It is those people who have had jobs who are now becoming unemployed as a result of this general unemployment situation.

However black the picture might be painted, the fact is that we have just started to see the tip of the iceberg in the horrible situation of unemployment in this country. The fact is that we have coming into the labour market, in a month and a half, a tremendous influx of students who will not be able to find jobs. If we take the historical record of the last couple of years, we find there will be about one million students entering the labour force this year, most of whom will not find suitable employment. If we put that into percentage figures, it would give us this year between a 13 per cent and 15 per cent unemployment rate by the end of May or the start of June. That puts Canada into one of the most embarrassing and inexcusable

situations for a country with our kind of resources both natural and human. It means that an additional 130,000 people will be unemployed. If we look at a fact pointed out by the Minister of Manpower and Immigration (Mr. Andras), namely, that this year, when one million students will be coming on to the labour market, only 12,000 are likely to find jobs, we find that we have underestimated the seriousness of the situation and how much it means to Canadians. This government must begin a program of incentives to encourage the private sector in our society to regain its faith and trust in the traditional enterprise systems and to get the economic show on the road again. We find that the cost of unemployment insurance is skyrocketing.

● (1610)

I would like to diverge for a moment because I think that as this debate carries on today we will hear many statistics relating to the number of unemployed people in percentages and on the basis of historical records. I want to place on the record an argument that is not often put forward regarding how devasting unemployment can be in the social sense. I want to point out how disheartening it can be to people with families, and how we all as Canadians end up one way or another paying for these costs associated with unemployment in additional social costs incurred by people who experience stress as a result of unemployment. A person's job is the person. We are the image of what we do. If we do nothing, our identity is shaken. Because of that we must recognize how serious it is for a person to lose his job. The ramifications of high unemployment are vastly underestimated. I should like to quote from a study which was carried out regarding the effects of unemployment and its effect on human mentality. I refer to a study carried out by Braginsky and Braginsky, who state:

> Jobless men feel small, and talk the language of insignificance. Even if a new job patches up self-esteem, they still hurt from a gut-level cynicism about society.

This points out the fact that when people are unemployed in a society such as ours, they lose their self-esteem and self-respect and they also tend to blame society. We are in the midst of a debate on capital punishment, and recently we have debated law and order and violence. One thing we ought to recognize is the close correlation between the increase in violence in our society and the high unemployment rate. The study to which I referred also states the following:

> Regardless of how a person becomes surplus, he or she is socially transformed. Lifestyle, expectations, goals, roles and appearance all change, and the higher one's status to begin with, the greater the impact of the social transformation. The trauma leaves a permanent scar, our research shows, long after the victim moves out of surplus status and back into the social mainstream.

This simply states that the higher one's status, the more the scar is felt at being unemployed. What is the situation in Canada today? The majority of unemployed people at present come from among those who have had jobs, not those entering the labour market for the first time. Let us look at an important factor in terms of real social harm as related to what is happening due to lack of jobs. Researcher Berkeley Rice has noted that there is a direct relationship between unemployment and suicide rates. Further, the number of calls received at suicide prevention centres greatly increases during periods of high unemployment. Let us look at what I think is a fairly important statement to which we should address ourselves more directly. It reads:

> Not surprisingly, economic fear builds a boom in mental illness, alcoholism and suicide. The news is that government planners don't worry enough about the psychic and medical costs of recession . . .
>
> In the economic crunch, millions of American citizens worry about jobs, bills, taxes and the cost of meat. Congressmen, columnists and economists worry publicly about economic trend indicators on unemployment and inflation. But no one seems to worry much about the effect of all the worrying . . .
>
> Among the early findings of psychiatric epidemiologists was a definite inverse relationship between socio-economic status and mental illness: the lower the economic level in a given population, the greater the incidence of mental illness.

Later on, Berkeley Rice continues:

> To test the relationship between economic conditions and mental illness, Brenner compared employment figures in the U.S. from 1922 to 1968 with first admissions in state mental hospitals during the same period. The results show a clear inverse relationship that holds up even for minor declines in all regions of the country: as employment drops mental hospital admissions rise. The relationships holds true whether we use employment or per capita income as the economic indicator.

This points out very clearly that it is not just a case of analysing whether we have a 6.8 or 7.4 unemployment rate, but that we should think of it in terms of the percentage of people in Canadian society who have lost jobs. We have to recognize there is a spillover. While I try to document one or two areas of the spillover, I think the cost to society is far greater than just high unemployment insurance figures, far greater even in terms of those who are under stress because they feel insignificant and have lost self-esteem because of the fact that the job is the person. When you lose your job, you lose much of your personal identity. The government, not just for economic reasons but because of its social conscience, has the obligation to society to work continually to retain a system which permits the highest rate of employment possible.

I look at Canada and ask myself what is so different between Canada and West Germany. Why is it that with our resources and human ingenuity, the kind of energy resources we have, we cannot attain full employment as do some European countries which have a much denser population than we do and whose resources are certainly no greater than ours? We have a real obligation, not just in terms of taking a look at these figures and noting that the rate of unemployment is rising or falling, but in terms of recognizing that the government has a moral obligation to society because of the stress that is placed on people when they are without jobs.

I should like to state, in conclusion, that we should address ourselves to trying to change the situation. First, we should stabilize some of the fluctuations that have occurred recently in the taxation of small business and industries. One of the feelings which I sense amongst my constituents is continual frustration—

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired. Is there consent to allow him to continue?

Some hon. Members: Agreed.

Mr. Malone: Thank you, Mr. Speaker. I will conclude my remarks. It is too bad that so many problems will be left to be dealt with at the end of my remarks. I believe this country should address itself to establishing a taxation system which would not entail a whole succession of rapid changes. Business people find it most frustrating because each year there are a tremendous number of changes in the taxation system. I also think that small businesses which are subject to the anti-inflation program are frustrated because of the amount of paperwork they have to do, which is reflected in their hesitation to hire people.

● (1620)

Another thing we must do is reassess our Unemployment Insurance Commission and its approach to paying out unemployment insurance. Surely there should be some kind of incentives program so that people are at least encouraged to work and so that welfare and unemployment insurance do not become a way of life. As long as we have a system where there is an option to work, surely we are doing nothing except being as naïve as people in government who allow a system to go on in which people can remain unemployed simply by adapting to a new lifestyle.

Not wanting to extend my time beyond the normal privilege, I will close simply by saying that the question of unemployment and lack of an industrial strategy is not just a question of charts and graphs but a question of social conscience. What is happening in Canada is that there are many people who are suffering stress, anxiety and all the ramifications which come about because jobs are so closely associated with a person's self-esteem. Living in Canada, we should have the right to high self-esteem.

Mr. Norman A. Cafik (Ontario): Mr. Speaker, I am pleased to have the opportunity to speak on the motion brought forward by the hon. member for Waterloo-Cambridge (Mr. Saltsman). At the conclusion of his remarks I addressed a question to him seeking to find out whether he realized that the cabinet in fact had made a decision with respect to the White-Westinghouse application before FIRA. In his remarks, as I understood them, he indicated that he was not aware of that and was criticizing the government for not having taken a stand, but in response to the question I raised I thought he dodged it a little by agreeing that, yes indeed, they did make a decision—which was made public on March 25, 1976—but that in fact that decision did not really transfer the ownership over to General Steel Wares.

That is quite right, but the government was not considering whether GSW should or should not buy the Westinghouse firm. The application really dealt with whether in fact White Consolidated should have been allowed to take over Westinghouse, and in fact that was the second time an application had been made for that purpose. The first application before FIRA was rejected on August 6, 1975, and the second rejection was on March 25, 1976.

Subsequent to that decision by the cabinet to refuse the White take-over of Westinghouse, it had been expected by many people, including myself, that this would have resulted in a rather precipitous take-over by General Steel Wares of Westinghouse. To date, that has not taken place, and as a matter of fact I have been in almost constant daily communication with the officials of General Steel Wares to find out what the problems are in this regard. I should like to speak about that for just a moment.

[The Acting Speaker.]

It seems that the basic problem which existed at the beginning, and which prevails even to this time, is the problem about the trademark. A trademark is a registerable item under the registrar of trademarks in the Department of Consumer and Corporate Affairs. There is also another aspect; it could be viewed as a trade name as distinct from a trademark. As I understand it, a trade name is a common law right of Westinghouse Canada flowing from its use of the name "Westinghouse" in Canada and not relating to the trademark per se, which is a registerable item. It so happens that in the sale of the appliance division of Westinghouse in the United States to White, the trademark was sold. That trademark was sold in the United States on a worldwide basis. In Canada, when the application to take over was made before FIRA, it was felt that that application dealt with bricks, mortar and goodwill as spelled out in the act, and not specifically with the trademark.

I have contended all the way through in this argument that that really is not true and that the law does not really read that way, and I should like to explore this for a moment to find out whether an application before FIRA covers the whole operation which is being considered for a take-over or only part of that operation. Section 3(3)(a) of the Foreign Investment Review Act deals with all, or substantially all, of the property used in carrying on business in Canada, etc. The term "property" is dealt with in the definition section of the act, and under that definition "property" used in carrying on a business includes goodwill in connection therewith. It seems self-evident to me that the goodwill of a corporation is intrinsically tied up with the use of the name of that corporation. It seems to me that to deny that is to deny any goodwill at all to a major corporation, because the goodwill flows from the relationship which it has established over many years in dealing with consumers and the goodwill which is associated with the name draws people to buy that particular kind of product.

I think I would be right in a court of law in maintaining that goodwill in this particular case means the trade name. If there is a distinction—and I contend that there is—between the trade name and the trademark, then Westinghouse has the right to sell that trade name because the trade name has been rejected by FIRA along with all the other assets Westinghouse has in Canada. I think that is abundantly clear. The confusion in this case is that White Consolidated and Westinghouse—originally Westinghouse, U.S.A.—made a joint application before the registrar of trademarks for the registration of the name White-Westinghouse. That had not been dealt with at the time of the FIRA rejection and now a new application has gone forward on behalf of White-Westinghouse, but in this case the Westinghouse is Westinghouse Canada as distinct and different from the Westinghouse which co-operated in that earlier application.

It is alleged by some that the fact that Westinghouse Canada participated in the application before the registrar of trademarks might in some way erode the legal value which is attached or was attached to the use of the trade

name itself. This particular problem has given rise to the delay in any take-over by GSW of Westinghouse in Canada.

GSW, when making its representations to myself—and I have dealt with this question rather extensively in the past number of months—maintained that it did not want the government of Canada to indulge in any legal shenanigans or adjustments in the law which would transfer the rights to the name or the trademark to GSW. GSW simply wanted the government to do two things: first, to reject the FIRA application—and that has been done—and, second, it expressed the desire to have the government make a public statement that the government did not believe the acceptance of the application before the registrar of the trademark "Westinghouse" in the name of White was in the broad public interest and that in fact that would lead to confusion in the marketplace, which is one of the normal criteria used by the registrar in arriving at such a decision. Up to this date the government has chosen not to make that statement. I am inclined to believe that the registrar, in light of all the facts and representations which are proposed to be made to him by the employees of Westinghouse, GSW and others, will reject that application anyway.

● (1630)

The government is in a very difficult position, however, particularly in light of the discussion that took place over the so-called judges' affair. I gather it is really the will of parliament that the government does not express its views respecting a judicial body lest it seem to try to influence what it might or might not do. The registrar of trademarks finds himself in at least a quasi-judicial role, so I would conclude that some, if not all, members of the opposition would object if the government were to pursue the objective proposed in a convoluted way by the hon. member for Waterloo-Cambridge.

I have no such concerns, Mr. Speaker. I think that the Minister of Consumer and Corporate Affairs (Mr. Mackasey) or the Attorney General (Mr. Basford) should indicate that if the white application is rejected through FIRA, then it is inappropriate to have two users, one with the trade name Westinghouse Canada and the other, a foreign company in the United States, with the trademark Westinghouse. I would not hesitate to recommend that we make representations to the registrar of trademarks that he reject that application. In that way the whole problem of the Westinghouse deal would be solved.

I had not intended to spend too much time on this matter, Mr. Speaker, but I think it is important. The position taken by the government illustrates that the sector approach for our economic strategy to try and achieve greater Canadian ownership of our own industries is consistent, otherwise the rejection of FIRA would not have taken place because we felt it was not of significant benefit to Canada.

I should now like to deal with some other aspects of this problem. Part of our industrial strategy is our anti-inflation program. The Minister of Manpower and Immigration (Mr. Andras) dealt with this at some length. There is no question that our anti-inflation program is designed to make our industries very competitive in order to save jobs in Canada. Although some people may argue the program is not effective, I believe we are now beginning to see results. But I think we have to reduce our own expectations and demands on the economy as well, and there is some evidence of success in this respect.

Although there seems to be a feeling that labour is being treated badly by the program, I would point out that they fare not too badly when compared with the business community. Increases in wages of from 8 per cent to 12 per cent are allowed, and historical relationships or special considerations are taken into account. In the business community there is no such generous guideline. Only increases in cost that can be justified can be passed on to the customer, and only 95 per cent of the previous five-year pretax profits are allowed. The program is a lot tougher on business than it is on labour. That effect is not well known, however, because it takes longer to become visible. We are just now beginning to see its effects.

I have been a member of a trade union for many years, Mr. Speaker, and I have a great deal of respect for unions; but I hope they begin to appreciate that we need the kind of restraint and responsibility that has been shown in England. Labour unions there got together and reduced their demands to 6 per cent, which is below the rate of inflation. This means that very realistically they are prepared to settle for less. In Canada we are not being asked to tighten our belts in that way; we are simply being asked for a reasonable, responsible approach. The most significant thing that could happen to assist our industry and to create jobs would be for labour, management and government to co-operate.

Our economic strategy has placed increased emphasis on exports and trade links. The government has taken initiatives in connection with the Pacific rim countries, Russia, China, the Common Market and Latin America, in an effort to establish appropriate trade links. Considerable progress has been made toward increasing our exports of fully and semi-manufactured goods. In 1970 we exported $11½ billion of semi and fully manufactured goods; in 1975, we exported close to $20 billion—so the trend is in the right direction. These figures would be more impressive if we went back prior to 1970 and the institution of the auto pact, because it shifted considerable emphasis toward finished goods. If we went back even further, the increase would be much greater than the figures I have just given. I think it is important to realize we are moving in the right direction in this area of activity.

In the area of non-renewable resources, it was announced recently that more emphasis would be placed in this area of activity to promote exports of processed extracted materials as opposed to raw materials. This will take time to show benefit, but it is indication that we are following the correct policy.

The government's determination to become self-supporting through oil production is an important part of an industrial strategy. Unless we do this, in time we will become the victim of the high prices set by the countries from whom we have to buy. This, of course, places our industries and our workers in a poor position. We need to take out some insurance to guarantee the future development of oil, the new pipeline from Sarnia to Montreal, a delivery system and a capacity to produce our own fuel,

which is a key element in any reasonable industrial strategy.

We should also consider the question of Canadian ownership of our resources and industries. In this connection may I allude to the activities of the Foreign Investment Review Agency which has been of some help. When one considers the establishment of Petro-Canada, Canada Development Corporation and similar corporations, one will see that the government is acting on all fronts to making certain we become more self-reliant and exercise ever more control over our own economic destiny. It is important to note this.

● (1640)

May I say a word about the Canada Development Corporation, which is a public corporation in which Canadians will be allowed to purchase shares and so participate in the development of the nation. At this point the company's capital stock is $565 million. There are 100 million class A shares, 322 million common shares, 142 million class B voting shares; retained earnings at this moment total $42 million, and the surplus of the Canada Development Corporation stands at $51 million. It is a healthy corporation which has invested in Polysar and Connaught Laboratory holdings, both of which it owns to the extent of 100 per cent. It has bought into Petrosar to the tune of 20 per cent, and Texas Gulf to the tune of 30 per cent, and owns 100 per cent of CDC oil and gas.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, whose allotted time has expired. He may continue if he has unanimous consent. Does the hon. member have unanimous consent to continue?

Some hon. Members: Agreed.

Mr. Cafik: Mr. Speaker, I thank hon. members. I will not be long and will deal with but two or three other highlights. As we are talking of industrial strategy, it would be inappropriate not to draw to the attention of Parliament our new competition policy, phase one of which is already being implemented. It goes a long way to ensuring genuine competition in society. Further steps must be taken, but what has been done is particularly important to businessmen. Many people look on competition policy as important to the consumer, which it is; but it is also important to small and medium-sized businessmen: it will make sure they are not put out of business by the large, multinational corporations. The government's policy in this regard is a giant step forward in the right direction in terms of economic strategy. Other steps will be taken when phase two of the competition policy is introduced. These, too, will be found helpful in the area of activity with which we are concerned.

May I mention briefly the new Canadian corporations' legislation which has done much to protect the investors of this country and will encourage our investors to invest in Canadian corporations. The legislation provides the minimum protection needed and will ensure that Canadians may invest with confidence in Canadian enterprises. The legislation has cut out much red tape in the incorporating of federally-incorporated businesses. That will help the businessmen of this country. Perhaps we should go further, to remove some of the impediments or some of the negative aspects, let us say, concerning Canadian businessmen. I refer, for example, to the multiplicity of forms to do with UIC, social insurance, and so on, which take up the time of businessmen. I feel that the departments of Consumer and Corporate Affairs, Industry, Trade and Commerce and others should get together and see what can be done to minimize the numbers of forms, etc., which businessmen are required to complete, so that instead of providing this free service to the government our businessmen can spend more time increasing productivity.

The Department of Industry, Trade and Commerce is involved with many programs of research and development which will enhance productivity. I spoke about these at some length a couple of days ago in the House of Commons. Also, we must do what we can to help the businesses of this country compete with international businesses or corporations based in other countries.

Lastly, may I draw the attention of the House to programs of manpower retraining, on-the-job training, and so on, which the federal government instituted in an attempt to match the capabilities of our work force with the requirements of the business community. Such programs are most important. One cannot consider unemployment and industrial strategy without taking into account the necessity of upgrading the skills of our work force and matching those skills with the needs of society.

I thank the House for its indulgence, Mr. Speaker. I wished to say more but will not as I do not wish to abuse the privilege granted to me. I conclude by saying that an industrial strategy we need, and an industrial strategy we have. If we implement that strategy broadly—and I have dealt with some of the possibilities—we shall do something worth while for industry and the workers of this country and solve some of our immediate difficulties.

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, I congratulate the hon. member for Waterloo-Cambridge (Mr. Saltsman), a member of the NDP, for bringing forward the motion we are considering on this allotted day. The subject is timely and appropriate. It is timely to talk about Canada's industrial strategy. Certainly, the subject is not new, but old. If my recollection is correct, the issue of industrial strategy arose late in the 1960s. We heard about industrial strategy from a previous Liberal government. Responding to criticisms being levelled at it in connection with tight money and the difficulties besetting certain sectors of the economy, the government of that day said conditions would improve because it was working on an industrial strategy. It was to bring forward an industrial strategy which would solve this nation's problems. After the phrase caught the ears of the media and the people of the country, the government became squeamish. In the throne speech debate of January, 1973, the then minister of industry, trade and commerce, now the Minister of Energy, Mines and Resources (Mr. Gillespie), did his best to dissociate himself from that phrase. As reported on page 151 of *Hansard* for May 10, 1973, he said in part:

> I am simply being a little more realistic when I talk about the government's so-called industrial strategy as being directed more toward the development and elaboration of a coherent set of industrial policies for Canada rather than the almost impossible task of producing a master plan.

Evidently the government of that day had abandoned the goal of drafting a master plan for Canadian industrial strategy. Instead, it wanted to develop what the minister called a coherent set of industrial policies. He outlined the government's program during that debate and later elaborated on the development of this so-called coherent set of industrial policies. The minister emphasized three areas which he, then as minister of industry, trade and commerce, would treat as being of top priority. They were trade, aid to small business, and foreign investment.

Let us consider what has happened. What progress did the minister make in pursuing his three priority goals? Consider the question of foreign investment. As the hon. member for Waterloo-Cambridge said earlier, and other speakers agreed with him, Canada is in the unenviable position of being the nation in the world with the largest proportion of its industries foreign-owned. That is a sad situation which concerns the majority of Canadians. But it need never have come about. The government said it would take firm action in this area. What did it do? It created the Foreign Investment Review Agency, that is all. Thus far, as I see it, the main accomplishment of this agency has been the creation of a new industry. It has created work for lawyers, a new specialty in law. For a law firm to call itself established or competent it must have within its ranks an expert on the Foreign Investment Review Agency, in the same way that it must have experts on tax, estates, and so on. A whole new area of work has been created for lawyers and accounts, but little else.

● (1650)

Any dispassionate examination of the percentage of Canadian industry which is foreign-owned shows nothing has changed. If anything, it has become worse. It is not surprising that anything should happen. Our high degree of foreign ownership is a direct consequence of previous Liberal administration industrial strategies. There was the strategy of C. D. Howe when he was minister of trade and commerce—and I guess minister of everything which was to encourage foreign investment. The policy of the government was to encourage foreign investment. That was the way to create jobs in this country. That was the way the government foresaw that we could import the foreign technology which we needed. It must be obvious to even the most simple mind that if you are going to alter the consequence of this policy which has been in effect for many years, you must do more than just put up obstacles to increased foreign investment; you must take positive steps to encourage replacement with Canadian investment.

C. D. Howe's policy was designed to create jobs. That job creation is even more necessary today when we have record levels of unemployment. The Canadian people have stated emphatically that they do not want to gain this increased employment solely through the importation of foreign branch plants because in the long run the costs are too large. Has this government done anything in a positive way to bring about the Canadian investment necessary to create these jobs? If so, they have disguised it very well because it is certainly not evident.

This government has brought in things which have had the opposite effect. One example is the capital gains tax. What incentive is there to invest in Canada? There is another side of the argument to capital gains tax. That is equity of taxation. There is no question about it. I hope that someone on the opposite side is at least looking at the possibility of indexing that taxation for inflation. The combination of inflation and capital gains means that investment in the stocks of Canadian companies is simply not worth while. It is the foolish investor indeed who puts his money in that investment vehicle.

The second big item of priority that the minister talked about is aid to small businesses. He said this was going to be given priority consideration by his ministry which spends some $240 million a year. He talked about six new initiatives: increased financial help to small businesses through the Industrial Development Bank, other granting programs, counselling for small businesses, stronger regional offices in the Department of Regional Economic Expansion, aids to facilitate technology transferred to small business, and special emphasis on tourism.

One could go into a great deal of discussion about each of those six initiatives. However, I would be willing to bet any amount that for every small businessman in Canada who has been helped by these government programs, it is possible to find ten small businesses that have been hurt, and hurt badly, by this government through its programs. Every member of parliament has a file full of letters from small businessmen in their constituencies complaining about the detrimental effects upon them as a result of one or another of the government's programs.

The third area, and this was given first priority by the minister in terms of the initiatives this government would take in the years following the 1973 throne speech, related to trade. This area was going to be given top consideration. The government was really going to get after the question of trade. In 1973 they had a surplus, or favourable trade balance of $1,327 million. After the enhancing activity by this ministry and government, and after priority consideration being given to it, our trade balance went from plus to minus—$2,440 million overall.

If you look at the high technology, manufactured goods which fall within the purview of this minister, in other words eliminating agriculture and raw materials which are Energy, Mines and Resources, the performance is far worse. In 1973, for example, we had a high technology trade deficit of over $5 billion. In 1975 this had gone to over $8 billion. That was the disastrous performance after three years of this government saying they were going to give it very high priority.

Those sectors of the economy that have not been given high priority should be thankful. They should be grateful that this government has not given them high priority as they, too, may have suffered as badly as our high technology industries. Performance has deteriorated tremendously since the minister announced this coherent set of industrial policies. Our unemployment rates are at a record high, trade represents a record deficit, foreign ownership has become worse, regional disparities are worse, and there are record losses due to strikes. No industrialized country has lost more time due to strikes than Canada. The gross national product is up. However, Canada used to have the highest GNP per population, the so called standard of living. We are now sixth in the world. Under this government we moved from first to sixth. That is performance!

It is comparatively easy to articulate all the problems and mistakes of this government. They are obvious and many. Canada is well blessed with several independent

bodies outside of government which examine Canada's economy. There are groups such as the Economic Council, the Conference Board, the C. D. Howe Research Institute, the Chambers of Commerce, the Canadian Association of Independent Banks, and so on. Virtually every one of these bodies, looking at Canadian industry, has reached the conclusion, in contrast to the Minister of Manpower and Immigration, who is standing in this afternoon for the Minister of Industry, Trade and Commerce (Mr. Jamieson), that all is not well. Things are not as rosy within Canadian industry as that minister has described them. Government policies are not exclusively at fault in this regard, but they certainly are not helping to cure the problems. In many instances they are directly causing them.

● (1700)

For example, one of the common themes in analyses of Canada's economy by groups outside government is a call for more innovation, more productivity from Canadian industry. Increasing productivity, as the hon. member for Waterloo-Cambridge has pointed out, is not a question of getting labour to work harder; it comes from better ways of doing things, better organization, improved technique, better technology. What has the government done in terms of increasing productivity? Well, the Prime Minister (Mr. Trudeau) has indicated several times during the question period that he has some kind of brains trust locked away in this office looking into the question. Apart from that, I know of nothing else which has been done to improve Canada's record in this field.

Increased productivity, as we all know, results from better management and improved technology. As the hon. member for Ontario (Mr. Cafik) has pointed out, management in Canadian business is beset with government bureaucracy, with forms and with demands upon its time. Five or six years back, one of the leading Canadian business magazines carried out a survey and reached the conclusion that 35 per cent of executive time is spent dealing with government, filling out forms, answering questionnaires, accommodating demands made upon them by the civil service. Since then the situation has undoubtedly become worse. I need only call attention to the demands of the Anti-Inflation Board, the Unemployment Insurance Commission and Statistics Canada, which is day by day requiring more and more information so as to employ the 4,000 or 5,000 people who are to occupy that building across the river.

Mr. Blais: Let us do away with it, then, as we did with Information Canada.

Mr. Andre: There are some positive notes to the suggestion made by the hon. member for Nipissing (Mr. Blais). In general, far from being aided by government programs, Canadian business management is being severely hampered. As for improved technology, only last Thursday there was a full-scale debate in this House during which speakers from all opposition parties were in agreement that the government had done nothing worth while to improve the productivity of Canadian industry in the field of technology. Yet in the long run that is the only answer.

[Mr. Andre.]

Let us see how other government policies have worked out. Supposedly, as part of a coherent industrial strategy, the Department of Regional Economic Expansion was set up to broaden the base of industrial development across the country. Compare the policies of this department, in the course of whose development vast sums of money were spent, with the policy followed by the Department of Transport and the Department of Industry, Trade and Commerce, to say nothing of the Department of Supply and Services. One gets the impression, Mr. Speaker, that they are adversaries working in completely opposite directions.

In conclusion, may I say that no country in the world has the combination of resources which we in Canada enjoy. We have the natural resources, we have a well-educated people, we have a truly democratic system of government, and we have a free enterprise system. It would be a tragedy for Canada and for the world if we failed to meet our potential. There is no need to fail. A coherent set of industrial policies, an industrial strategy which while interfering less would provide incentives for Canadians, permitting them to pursue the goals they chose, would in itself be almost sufficient to ensure success. It is tragic to see a government, apparently with good motives, being so wrong-headed, so persistent in pursuing, on an ad hoc basis, the measures it has adopted, thereby denying Canadians the type of country they all desire and which they are capable of achieving.

Mr. Derek Blackburn (Brant): Mr. Speaker, it is a privilege for me to take part in the debate today. In the past few weeks we have been discussing issues of conscience, such as capital punishment, which in the long run really involve some six or seven persons a year under the definition of first degree murder. Today I am indebted to the hon. member for Waterloo-Cambridge (Mr. Saltsman) for introducing what I consider to be a motion reflecting one of the most important issues confronting our society, one which affects not just a few people but many millions. I refer to lack of a national industrial and employment program.

Since this country was founded, and even before it officially became a nation, the predominant economic theory, indeed, the predominant practice, was that of laissez-faire. Perhaps in those far off days it worked, though I am still not sure that it did. But I believe we must put the motion before us into some sort of historical perspective. I should like to go back to the post-civil war era in the United States, the era of reconstruction in which the Americans sought to rebuild their country and indeed did so most successfully, but based upon a different kind of economic system. It was capitalist, no doubt about that, but when they went to the money markets in Europe and Great Britain and asked for capital for their canals, their railroads, their telegraph lines, their manufacturing industries, they included a proviso: it had to be bond capital—in other words, non-voting capital. They succeeded. They got the money from Europe, but since it was in the form of bond capital they were able to control the way in which the money was used.

What happened in Canada from the time of John A. Macdonald, with his tariff policies and transportation policies, with the development of manufacturing in the east and primarily farm production in the west, was that we did

not get bond capital so as to maintain control over our future development in economic terms. They were willing to take anything, and successive governments accepted equity capital, which meant control over our economy passing to outside interests. So at the outset of these remarks I should like to put the historical situation into perspective. I wish to state at the outset, also, that the economy here developed differently from that of the United States in another sense. It developed as a combination of public and private enterprise. I suppose we really have not had a national policy on industrial growth and development since John A. Macdonald in the late 1800s. Unwittingly—and I am not blaming our first rate prime ministers—this tariff wall created a branch plant economy in this country. Instead of trying to knock down this wall, they jumped over it and built industries in this country that served the people and investors of the United States to a far greater degree than the people of this country. All during the 1880s, 1890s and up to the First World War, and indeed after the First World War when we finally became a country in substance as well as in name, this kind of equity capital domination continued through successive Conservative and Liberal governments, and I think it is a problem from which we are still suffering today.

● (1710)

The second thing I should like to put into perspective is the hue and cry that has gone out across the country about the negative effects of unemployment insurance. I have very mixed feelings about the UIC. In fact, I would not mind a bit if private insurance companies got together and ran the whole thing themselves. Of course, hon. members know what would happen then; premiums would triple or quadruple and benefits would be halved, because they would have to make a profit. Are the unemployed, especially the 80 per cent of our unemployment who have no job through no fault of their own but, rather, because the government over there does not have a full employment policy, to be blamed for unemployment? That is the first question.

The other matter that bothers me about unemployment resulting from not having an employment and industrial development policy is that the stop-gap social assistance programs are, in effect, institutionalizing poverty. This institutionalization of poverty, with all its handouts, is making capitalism respectable and acceptable. On the one hand, corporations grab every cent they can from the government. But who is to be blamed for the failure of our social assistance programs? It is not the con artists in the boardrooms of this country, but the little con artists who are trying to rip off our social assistance programs. To me this is reprehensible and unacceptable.

We must take a more appropriate approach to those who work in our industrial complex in this country. Who really makes the major decisions affecting our economy and industries? Is it those who have been laid off temporarily, or is it those who work for eight weeks and then try to rip off the Unemployment Insurance Commission? How many of the 761,000 people who are unemployed today in this country are unemployed because they want to be unemployed? People come to my constituency office Saturday after Saturday and ask me to find them a job, Mr. Speaker. They have gone to Manpower but have been unsuccessful. Employers go to Manpower and are also unsuccessful. I suggest to the members of this House that those responsible for unemployment in this country include, to begin with, the Department of Finance, the Department of Industry, Trade and Commerce, the Bank of Canada and the chartered banks and corporate boardrooms of this nation. These are the people with the economic and political power to act.

What has been the record of this government over the past several years? It has been pretty dismal. It is true we are producing jobs, but as we produce them more and more fall outside the labour market. Probably half of the 761,000 people out of work now will never find gainful employment again. I heard a member a moment ago say that the answer to this problem is the rationalization of industry and employment, that with increasing technological change we should modernize equipment. That may be true, but in the long run, what does it do? It puts more people out of work. Let me give the House an example that occurred a few weeks ago in southwestern Ontario. The CNR ran its turbotrain at a speed somewhere in the neighbourhood of 140 miles an hour.

Mr. Baker (Grenville-Carleton): That was in eastern Ontario.

Mr. Blackburn: Yes, I believe between Toronto and Montreal. I realize energy is not touched on in the motion, but when they ran this train at 140 miles an hour, the CNR employed their own workers to stand at underpasses or overpasses along the route to warn cars as the train went whistling through. Yet at the same time the government claims we cannot afford to build overpasses, underpasses, subways or whatever you want to call them. This was a perfect example of how we could put unskilled people to work and pay them a decent wage rather than putting them on unemployment insurance. These people are waiting for a job that is probably not there for them.

This motion relates, at the moment indirectly, but I feel within the next few weeks or months will relate most directly, to a major industry in the city of Brantford which I have the honour to represent. The situation I am about to relate is not an isolated one but is similar to other cases which my hon. friend and colleague from Waterloo-Cambridge mentioned in his speech earlier this afternoon. In the city of Brantford there is a farm implements manufacturing company known as White's Farm Equipment. It is a subsidiary of the White Motor Corporation of the United States. For the last couple of years it has been further and further under. Indeed, in its last quarterly report for 1975 it was $60 million belly up. A man named Ed Reddick is chairman of the board of White Consolidated Industries, which has nothing to do with White Motors; it just happens to have the same name. Reddick has a history of buying out corporations that are about to go broke or which at least are in very serious financial straits. As reported in the American Press, his reputation includes that of stripping subsidiaries, closing down sales offices, firing sales personnel and at least minimizing, if not totally eliminating, scientific research. He boasts about this.

Industrial Strategy

● (1720)

On May 3, White Consolidated Industries was to have a directors' meeting. Everything was laid out in the press that he was about to buy out White Motors, of which the White Farm Equipment Company of Brantford, the Euclid Earth Moving Equipment Company, and I do not know the exact name of it, of St. Catharines, and White Trucks, I believe of British Columbia, are subsidiaries. He boasts about the fact that he can, in his terms, rationalize industries. As far as I am concerned, this means buying them out, dismantling them for what he can get out of it and then moving on to some other corporation nearly bankrupt.

Fortunately for the White Farm Equipment Company of Brantford, Mr. Reddick took ill the night before, on May 2, and as far as I know he is still in the hospital. At the shareholders' meeting of WCI his argument to buy out White Motors, so I am told, lost by a bare two votes. Somebody might say in opposition that this is hypothetical because it has not happened. The point is that it is all there in black and white. This was his intention. White Farm Equipment in Brantford employs 600 to 700 employees. In 1969 or 1970 Reddick pulled the same trick. It was not the Canadian government that made him renege and go back and not buy out White Motors Industries in the United States. It was the United States government that said he could not do it even after the deal had gone through. It was not our tough guys over there—no way. It was the United States government that said he could not go ahead with it.

Unfortunately, while he had control of the White Motor Company and its subsidiaries in Canada, people were laid off. Workers at what was then called White Cockshutt in Brantford were laid off, and some of them had seniority back to 1947. I might add that Cockshutt, White-Cockshutt and now White Farm Equipment in Brantford, has had excellent relations with their employees. They have not had a strike, to my knowledge, since just after the Second World War.

At the time Mr. Reddick was trying to implement the buying out of this corporation, the buying out of the subsidiaries and stripping them for what he could get out of them. He would cut out the science and technology end, or the creative and technological end, and to hell with the Canadian workers. The fact that a small town in southwestern Ontario with a population of 65,000 was losing 700 jobs did not make any difference to a man like Reddick. He runs his empire from the United States, or it could be from Japan, Great Britain, France or West Germany. What I am really saying, and I hope I am distilling it to the one incident, because I think this one incident encompasses what the hon. member for Waterloo-Cambridge said in his opening remarks today, is that without a national industrial strategy over which Canadians have control, this is the kind of thing that can happen.

Without this kind of industrial strategy for government, private enterprise and public enterprise, this kind of White Consolidated Industries attempted take-over will continue—and we cannot afford that in this country. We do not have to be rabid nationalists, saying we do not like Americans and we do not like American capital or capital from any other part of the world. What we need is some control over the destiny of our future economy. If we do not have this—and we do not at the present time—there is something wrong not only with the government but with every member of this House.

I do not think you have to be a Liberal, a Conservative, a New Democrat or a Creditiste to stand on your feet and say that the global village is getting smaller and we have to co-operate. Interdependence among nations is becoming a most important aspect of life itself. But at the same time we have the right to speak for ourselves in economic and industrial matters. This is the important thing. Otherwise we will be looked upon and laughed at as the second or third cousins of the most powerful nation in the world. That is not an anti-American statement. It is our own governments over the years which have allowed this to happen.

I only heard part of the speech of the Minister of Manpower and Immigration (Mr. Andras) and I am subject to correction in respect of what he said. He mentioned that one of our problems in respect of unemployment today resulted from the number of women in the employment market. If we had a economy in this country and a national industrial strategy that provided enough jobs so we had full employment, and so those who work, whether in factories or offices, received a decent income on which they could live comfortably, not luxuriously, I daresay half those women would not have to be part of the unemployed work force today or, indeed, the 2 per cent I believe the minister said who are working. We would not need that, and we would probably have a better social climate in this country in which mothers would stay home and raise their families. It is precisely because of our lack of a national industrial policy that these women and mothers have to go out to work. I do not see how the minister's argument is valid.

I see that my time has pretty well run out. I would simply like to reiterate what I said a few minutes ago. Unless FIRA begins to act, and unless part II of the bill becomes operative in an effective way, particularly in the energy field, we are not going to have a kind of economy in this country in which we can exercise an independent posture and an enlightened posture in the world force.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for York-Sunbury (Mr. Howie)—Energy—Study of Fundy tidal power—Date of commencement; the hon. member for Vegreville (Mr. Mazankowski)—Agriculture—Cow-calf stabilization program—Government position on Alberta proposal—Possible date of implementation.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—ALLEGED GOVERNMENT FAILURE TO INSTITUTE INDUSTRIAL STRATEGY

The House resumed consideration of the motion of Mr. Saltsman:

That this House condemns the government for its lack of an industrial strategy, which (*a*) has resulted in falling production, job losses and uncertainty, as in the cases of Westinghouse, Microsystems, Dunlop Tire and others, and (*b*) is a major cause of today's unemployment rate of 7.4%, which means that 761,000 Canadians are without jobs, a situation that calls for immediate action.

Mr. Hal Herbert (Vaudreuil): Mr. Speaker, I find it somewhat ironic and amusing that the last speaker, a member of the NDP, in his closing remarks should have used the expression "what we need are controls." The opposition argument on the motion which we are debating today, dealing with industrial strategy, has dealt extensively with recession statistics and trends in an attempt to paint a gloomy picture. Inflation and unemployment at current levels are cause for concern. Nevertheless, arguments should be kept in perspective.

Is it imagined that Canada, one-tenth the size or the power of the United States, could have come through unscathed when the world economy is going through its worst upheaval since the Second World War? The year 1975 was, without doubt, the most difficult year for the government and the country since the end of the war. In a country dependent on imports for one third of its needs, and needing to export a similar proportion of its goods and services to maintain its standard of living, it is surely remarkable that we in Canada have been able to avoid the acute hardships that the recession has caused in other countries.

● (1730)

This dependency on other countries for exports and imports makes it impossible for us to immunize ourselves from world influences. Our situation has been aggravated more recently on the domestic front by the reluctance of corporations, union leadership, and various levels of government to accept the effects of recession. The demands, not just to maintain the status quo but to obtain improvements over their positions in previous years, have exerted tremendous pressures on those not able to join together to form a pressure group. Federal government action, however reluctant, to control inflation, became inevitable when a voluntary consensus was so bluntly refused. Surely 1975 was not the year to demand the highest increases in prices and salaries.

The key to beating inflation was and still is productivity. The mover of the motion complains that it is not the fault of the worker that productivity falls. Does he seriously suggest that those same companies that he accuses of profit motivation would not be happy to see increased productivity as a balancing factor to decreasing demand and falling prices?

One of the easier ways to alleviate the effects of recession is for everyone to minimize lost time by strikes and to improve efficiency by two or three percentage points.

However, it is important to maintain a reasonable perspective. Economic conditions in Canada are certainly a cause for concern and deserve the full individual attention of the government. Nevertheless, having illustrated the world influence on the Canadian economy, it is appropriate to make comparisons with conditions elsewhere.

Unemployment rates and unused productive capacity in the major industrialized countries rose during the first half of 1975 to levels unprecedented in the post war period. For OECD countries combined real GNP declined at an annual rate of about 5 per cent during the first half of 1975, the third consecutive half year of decline, with the low point reached about mid-year.

For example, while the percentage change in real GNP for 1975 as compared with 1974 increased in Canada by 0.2 per cent, there was a decrease in France of 2 per cent, in Germany of 4 per cent, in the United Kingdom of 2 per cent, and in the United States of 3 per cent.

[*Translation*]

If we take in consideration the effects of inflation, it seems that the Canadian economy reached a peak during the first months of 1973 beginning a slight recession since 1974 up to the end of 1975. Of course, Canadian productivity has been clearly below normal between 1973-75, but we should compare our conditions with those of the United States. That country is by far our most important trading partner and the cyclical behaviour of the Canadian economy normally closely follows the American economy.

The comparisons are based on production, employment, unemployment, costs and prices, foreign sector, capital expenditures and development of the GNP per inhabitant. It follows that the United States experienced a much more serious recession than Canada between 1973-75, as shown by the comparative movements of real production, employment, unemployment and investments. At the same time, the Canadian experience was less propitious in two important sectors: first the unit costs of labour in manufacturing and, second, the foreign sector.

If the productivity of American manufacturers was still less propitious than that of their Canadian counterparts since 1973, this disadvantage has been substantially offset by smaller salary increases. There clearly results a temporary degradation at least of the competitive status of the Canadian manufacturing industry as to the unit costs of manpower compared with those in the United States. Canada has experienced since 1973 a quick degradation of its merchandizing and current accounts while the contrary was true in the United States which is mostly due to a greatly reduced demand from abroad.

[*English*]

The period since 1973 has seen a closer convergence in per capita GNP in Canada and the United States. Between 1973 and 1975 Canada's GNP output in current dollars climbed by about 29 per cent, or nearly twice as fast as in the United States. In 1975 per capita GNP in Canada has climbed to within about 3 percentage points of that in the United States, compared with a gap of about 11 per cent in 1973. In real terms, Canada's GNP output advanced by

about 3 per cent. This is well below the normal growth rate of at least 9 per cent in an average two year period. However, in the U.S. real GNP was actually 4 per cent lower in 1975 than in 1973.

The GNP price deflator, the broadest measure of over-all price change in the economy, advanced by 25 per cent over a two year period in Canada, or somewhat faster than the 19 per cent increase in the United States during the same period of time. The volume of industrial production declined by somewhat more than 2 per cent in Canada between 1973 and 1975, compared with a decline of 9.4 per cent in the U.S.

Retail sales in Canada climbed by 32 per cent in the two years ending in 1975, compared with an increase of half this rate in the United States. Housing starts declined by 14 per cent in Canada during the last two years, compared with a 43 per cent drop in the United States. The Canadian labour force climbed by about 8 per cent in the past two years, a rate nearly twice as fast as the 4.4 per cent advance in the United States. Total employment growth in Canada advanced by 6.4 per cent despite the economic slowdown in the past two years. In the U. S. it climbed by less than half of one per cent.

As far as the manufacturing sector is concerned, the decline in the volume of Canadian manufacturing of about 2.5 per cent was only one third as steep as the decline in the United States. There was also a sharper drop off in the average weekly hours in U.S. manufacturing. Output per man hour in Canadian manufacturing advanced by 3.3 per cent between 1973 and 1975, or nearly three times the rate experienced in the United States. However, average hourly earnings in Canadian manufacturing climbed by more than 31 per cent in the most recent two year period, compared with only 18 per cent in the United States. The result was that unit labour costs in Canadian manufacturing advanced by 27 per cent compared with 16.5 per cent in the United States as the comparative advantage in Canadian productivity was more than matched by a steeper climb in wages.

● (1740)

As I pointed out earlier in my remarks, a more responsible attitude in relating wage and salary demands to productivity rather than to anticipated increases in the inflation rate could have moderated, to a considerable extent, the high inflation which necessitated the anti-inflation legislation.

I shall conclude my remarks with a reference to one of the improving sectors of our economy, the growth of Canada's consulting and technical service industries in international markets. Consulting and technical service industries contribute more than $1 billion annually to the Canadian economy; over $150 million in fees alone was earned from foreign contracts in 1974.

Capital equipment exports follow where our Canadian consultants have contracts. Canadian technology is in great demand abroad, and frequently our expertise parallels the needs of developing countries. This consulting expertise is in a multitude of fields, including communications, transportation, forestry, resource development, and power development. The industry is largely Canadian owned; it is aggressive and entrepreneurial. The Canadian consultant is taking the lead in the pursuit of capital project business abroad.

In closing, whilst one cannot be surprised that during a slowdown period in the Canadian economy the purveyors of doom come out in force, a more balanced assessment of the true picture would indicate that we in Canada have performed relatively well in comparison with the rest of the world. Certainly we always have a need to improve, but a more positive attitude and a little more pride in our accomplishments will help us to attain our common objectives.

Some hon. Members: Hear, hear!

Mr. David MacDonald (Egmont): Mr. Speaker, we are grateful for the opportunity provided by the hon. member for Waterloo-Cambridge (Mr. Saltsman) today with respect to the subject matter of unemployment which, if anything, has been a consistent concern of hon. members of this House on all sides.

There has been a continued recurrence of high unemployment throughout the country. However, those of us who come from the Atlantic provinces, when faced with either statistical figures or with the latest reports on unemployment, realize that this is not something new but something we have long experienced in our part of the country. Indeed it has been recognized for quite a number of years, certainly since the early 1960's, that the federal government has a basic responsibility with respect to the continuing high levels of unemployment which have existed in certain areas of the country, those areas which have, to use the popular phrase, suffered from regional economic and social disparity.

While the motion before us today refers specifically to the general unemployment situation which exists, a rate of 7.4 per cent—or in terms of actual Canadians without jobs, some 761,000—I think it is incumbent upon us in this debate to realize that the problem has been particularly acute in two areas which I want to mention quite specifically. One area comprises the four Atlantic provinces which have traditionally experienced unemployment in rates at sometimes double and, in a number of instances, triple that of the national average. It is a situation which no member or minister should want to accept happily for one moment, but I think we have to be frank and recognize that the general experience to date in attempting to deal with this problem has not been overly satisfactory.

I did not hear the minister when he made his comments with respect to the problems of unemployment as he saw them from his perspective as Minister of Manpower and Immigration (Mr. Andras), but from what I have learned about his speech it strikes me that it was a speech which generally tried to make excuses for what presently is the situation rather than to give some suggestion or indication as to what steps the government will be taking to alleviate this problem.

Surely it is not something which was sprung on the government as brand new information with the last report from Statistics Canada. It seems to me that for as long as this minister has been in office, and certainly since the Prime Minister (Mr. Trudeau) has been in office, it has been an almost constant complaint that the problem of

unemployment in Canada has not been dealt with satisfactorily.

However, the two specific groups which concern me today and which have suffered unduly due to the lack of an industrial strategy are undoubtedly the people who live in areas of economic and social disparity such as those in the Atlantic provinces, part of the province of Quebec, certain parts of northern Ontario, and northwestern Canada.

I also think particularly of a group which is equally important but not quite so easily identifiable, the young people in our society, in terms of the long term damage which we have done with respect to the most important resource which exists for Canada, and that is their future positive attitude and ability to participate in the ongoing life of this country.

If there is a major and compelling criticism above all else which can be made about this government in the employment field, it is, quite frankly, the betrayal of an opportunity for employment which should be, but has not been, available for many thousands—indeed, hundreds of thousands—of young people in our society. I know this only too well because during my times here as a member I have had the opportunity to consider in detail some of the specific responses the government has made with respect to youth unemployment.

Many years ago on the occasion of one particular bad set of published statistics, or a report from Statistics Canada with respect to the high percentage of unemployed young people, those under the age of 24, the Prime Minister indicated to me in an answer that he too was concerned about the problem, and for that reason the government at that time established a high powered interdepartmental committee which was to take seriously the problem of the long term high incidence of youth unemployment.

What have been the results of that self-professed interest in this serious social problem? The results have been nil. Of course there have been experiments with respect to the Opportunities for Youth program, but that program has gone the way of all flesh. The government announced it as an interim measure to deal with what it perceived to be a very serious situation. One is not sure that it was attempting to deal with the reality of that situation or merely the seeming politics of it, but Opportunities for Youth is no longer in existence.

A program which was introduced by the Prime Minister's predecessor as a Canadian response to the then popular American Peace Corps was the Company of Young Canadians. The Company of Young Canadians had its difficulties, and no one would disagree that it was instituted at a time of very serious social unrest. However, I think hon. members on either side who have looked at the work which was done, particularly in latter years, by the Company of Young Canadians, have to be impressed both by the dedication of the young people who were involved and by the extent to which they were actually able to assist in the development of self-help programs in a number of disadvantaged communities across the country, and for a very small price, I might add, because as hon. members know the budgetary item for the Company of Young Canadians was quite small in comparison with many activities funded by the government. What was the response to this particular innovation? It was given the axe. One opportunity for channeling some of the energy and idealism and even the anxiety of young people was destroyed. They could have been a positive force in the real social and economic development of the country.

● (1750)

As I said in another place on another occasion, the government is somewhat like its present energy program—it has run out of gas. I suppose the obvious thing to say is that the sooner it can be replaced, the better. An enormous number of young people have become very cynical and frustrated by what they perceive to be the government's lack of interest in their problems of employment and effective participation in our society.

I see one hon. member shake his head. I am not sure whether he is opposed to dealing with the chronic, high unemployment that faces our young people or whether he is sharing in the collective fatigue that exists in this administration. Either is an extreme condition and should not be tolerated any longer.

I am amazed at the government's lack of sensitivity, its lack of an industrial strategy or indeed any strategy to deal with the employment of such a resource as the young people of this country. This aspect of the matter deserves much more time, Mr. Speaker, but I want to deal with another aspect of unemployment which I consider equally grave, and that is the situation in the Atlantic provinces.

It is perhaps a fact of our experience as representatives that, because we have been faced with high unemployment figures so consistently in the last few years, we have ceased to be alarmed by the extent of unemployment in our own communities. Recently I saw the latest published unemployment figures for the Atlantic provinces. It was interesting to compare the reports from the Manpower offices to see how closely they checked with the figures published by Statistics Canada.

The national unemployment rate is 7.6 per cent. In Newfoundland, it is 16.3 per cent; in Prince Edward Island, 13.4 per cent; Nova Scotia, 10.3 per cent, and New Brunswick, 13.2 per cent. This means that in the Atlantic provinces unemployment is running at double the national average.

On a year to year basis a comparison of the number of people registered with the Manpower Centres in the Atlantic provinces is quite shocking. In March last year 4,196 people were registered with the Manpower Centre in Charlottetown; this year the figure jumped to 5,600. In Summerside 4,200 people were registered in March of last year as actively looking for employment; this year the figure climbed to 6,007, a growth of 43 per cent. These are not figures that one can accept in a sanguine manner when one realizes the hardship and heartbreak experienced by heads of households who must report to their families week after week that there is still no job available. It is difficult for us to identify with a figure in the hundreds of thousands of unemployed. But when I meet people in my constituency who are denied productive employment, Mr. Speaker, then I know the tragedy of the lack of an industrial policy on the part of the government.

It is incredible that in the Atlantic provinces the government should masquerade behind a program of regional expansion. In 1969, when various programs and policies

were put together to create a department that was going to deal directly with the under-employed and unemployed in specific regions, we were optimistic. In 1976, however, the department only administers patchwork programs that basically do nothing about the unemployment problem in the Atlantic provinces. In Charlottetown last week the Minister of Transport (Mr. Lang) said—and I hope I quote him closely enough not to misrepresent him—that during a time of restraint we must not expect that anything can be done effectively to offset that with respect to regional economic programs and policies. He has said similar things in the House in reply to questions about rate increases of 100 per cent on the main ferry link to the mainland and the repeated requests from the Canadian National Railways for an increase in basic freight rates, which of course would effect the cost of moving basic goods out of our region.

It is incredible that the government would establish a department to alleviate regional disparities and then have its own energy and transportation policies, tariff policies, and restraint policies go totally against it and undermine any achievement it might have gained. What kind of credibility can this establish with respect to an industrial policy for the country or for areas where the government has an important and special responsibility?

I may need to say a few additional words at eight o'clock because I think this is a very important subject. At this time, however, I would respectfully call it six o'clock.

The Acting Speaker (Mr. Turner): Order, please. It being six o'clock p.m., I do now leave the chair until eight o'clock p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. MacDonald (Egmont): Mr. Speaker, hon. members will recall that before we adjourned for supper I was trying to deal with what I perceived to be two of the most consistent and offensive areas of high unemployment which have existed in this country for a number of years, almost totally during the time the present government has been in office. One has to do with the shockingly high numbers of young people unemployed, more than 14 per cent at last count; and the other has to do with consistent and chronically high unemployment in areas like the Atlantic provinces where, on a regional average, unemployment is at well over 14 per cent.

I will not repeat, for which hon. members on all sides will be grateful, what I said before supper, but I want to emphasize that, as the motion suggests, there is indeed no industrial strategy to counteract the very serious and high unemployment which exists today. In fact if there is any one criticism I have of this motion, it is that it does not go far enough.

I believe that if we are to deal with the problem of regional unemployment the time has long since passed when we should realize that it is not sufficient to have a series of particular programs or, indeed, one department trying to carry and develop matters of responsibility in this particular area. I mentioned before the supper adjournment the failure to introduce consistent and supportive policies in areas of tremendous importance to the Atlantic regions, areas such as energy and transportation. I will not go into detail, but it seems to me that there has been a tremendous deterioration in that there has been a lack of support from the department in dealing with both energy and transportation. Indeed much if not all that is being attempted under regional disparity programs sponsored by DREE is undermined by the lack of consistent and co-ordinated programs in the totality of federal government intervention in the Atlantic provinces.

At present it seems to me that the Department of Regional Economic Expansion is indeed a prisoner of the government, unable to make its weight felt fully in the activities of other departments when dealing with the problems of unemployment and under-employment in the Atlantic provinces.

On the question of young people it seems that our approach has not been comprehensive. It is a well known fact that the provinces have a vital stake in the whole question of youth opportunity, and employment, but there has been literally no effective consultation with the provinces on this question. The relationship existing between education, manpower training, and job opportunities for young people has been totally ignored by the government.

As I said, if I have any criticism of the motion presented today by the hon. member for Waterloo-Cambridge it is that it only deals with industrial strategy affecting employment. It seems to me that we need, in real terms, a totally new economic and social policy, one whose basic commitment is to full employment. I remember a few years ago when the late president of Queen's University, a man of tremendous stature, Dr. John Deutsch, told a parliamentary committee that we would need to look closely at developing new national economic and social policies, ones which would provide young Canadians, and Canadians in regionally disadvantaged areas, with the knowledge that they would be given the opportunity for full and meaningful employment. Unfortunately that situation has not come to pass under this government and that opportunity, even that concern, does not exist today.

I thank the hon. member who introduced this motion for giving us this brief opportunity to remind the government again that it has basic, fundamental responsibilities, one of which must be the establishment of policies and programs leading to full employment both for the young and for those in regionally disadvantaged areas.

[*Translation*]

● (2010)

Mr. André Fortin (Lotbinière): Mr. Speaker, first I wish to thank the hon. member for Waterloo-Cambridge (Mr. Saltsman) for giving us today the opportunity to deal with an issue of much concern to us: the employment situation in Canada, a sustained economic prosperity and the involvement of Canadians in this prosperity.

Mr. Speaker, even though this motion is negatively formulated since it must comply with the rules of this House for supply motions, it is positive on several counts. This

motion says in a general way that we blame this government for its lack of an industrial strategy making for a planned economy that would give short and particularly long-term results and enable Canadians to enter the labour market and ensure their future.

Mr. Speaker, the Canadian government has no industrial strategy as such. We run the economy, this country on a day-to-day basis, haphazardly, according to the mood of the moment, nothing more. The problems are faced on an *ad hoc* basis, but there are no long-term plan aimed at maintaining the employment level, at fighting inflation or preventing those two goals from working against each other. On that score, Mr. Speaker, it is sad to realize it and endure it but it is an actual fact in this country: we have no employment strategy in Canada.

A few years ago, this government announced specific job-creating programs, among others the local initiative programs and opportunities for Youth. In another case, for instance, the Department of Regional Economic Expansion was created. Today, in 1976, those local initiative programs have been abolished. For what reason? Monetary restrictions. The same is true of opportunities for Youth.

Mr. Speaker, I am very concerned with that kind of administration not because it comes from the Liberal party but because of that philosophy we have. I am deeply concerned by that. One day, a minister stands up and says to the House: The government has developed a very specific job creation policy; we intend with this strategy to generate a number of job opportunities and for that purpose we invest a few millions. Some time later, the government announces the implementation of another program which is not necessarily related to the previous one, and there we go, as the wind blows.

And finally, because one day the government decided to fight inflation, which it refused to advocate during the election, suddently we have to tighten our belts and forget about creating jobs in Canada or maintaining the rate of employment, since all of a sudden, one fine morning, the government decided that it was important to fight inflation.

Mr. Speaker, the result is, as the motion says, that according to the latest official data of Statistics Canada, the average seasonally adjusted unemployment rate is 7.4 per cent. In Quebec, we hold the record once again, that is 8.3 per cent. Mr. Speaker, as I said previously, I am deeply concerned by this, because with this government we do not know what to expect during the next month, the next three or six months, or the next year. The first point of the motion emphasizes the lack of long-term and short-term planning; it relates this lack of planning, and I agree with this, to the fall in production.

It is obvious, Mr. Speaker. First of all, industries themselves, small- and medium-sized businesses in particular, because they do not know what short or long range policies the government will put forward, restrain their investments and their growth, and this is how their employment rate has leveled off so to speak, because of this lack of concern. Second, and it has already been said in this House, our labour legislation, as regards jobs covered by both the federal and provincial codes, our laws and bargaining process are quite outdated, which means once more that small- and medium-sized businesses are the victims of slow negotiations, inefficient employer-employee dialogue and finally, this is another major reason for the reduction of our per capita gross national product.

I refer once more to the official statistics of the Department of Labour of Canada, which indicate the number of strikes and lock outs in Canada and show again that our bargaining process is not only slow, inefficient, obsolete and outdated but moreover, that it creates in a way endless and very costly disputes between labour and management. Statistics in this regard speak for themselves, Mr. Speaker, and it is not necessary to quote them here.

In this relatively dark picture—and I think this is the actual situation and I am not pessimistic in saying so—there are some elements of hope or spark plugs that come to light at a given time everywhere in Canada. Let us mention in particular the experience of a company named Tricofil, which was completely on the decline, as a result of textile imports, just as it happened in the footwear industry in Canada and in the province of Quebec in particular, where this industry was prevailing. All this happened as a result of government inaction, because of a government strategy which encouraged more imports than any policy designed to support the endeavours of our own industries. We are waking up, Mr. Speaker, with a footwear industry that has disappeared, together with these jobs. In the case of textile, exactly the same type of crisis exists.

Recently, I asked a question of the minister on this subject. He replied that a Canadian textile commission had been established, that many studies are being done on this subject and that we are starting to understand the problem pretty well. No solution has yet been found. We are content to judge dumping cases, but we do not ensure employment protection in our country, and especially in the Eastern Townships, Mr. Speaker, where the problem has taken tremendous proportions.

As an example, I would mention Victoriaville, my own city, where there is an industry called Robin Company and another one called UTEX Company. These plants now operate at only 40 per cent of their production capacity. Why? Because we are unable to face the foreign competition that this government, and I repeat, this government, is importing because of its lack of legislation to protect the Canadian industry and its lack of Canadianism spirit which would make us give first and foremost to Canadians the opportunity to produce themselves the products that we can manufacture locally before importing them.

For political or financial reasons of which I am not aware, the government prefers to encourage imports from countries where the manpower rates are, of course, much lower than ours. This is why the Robin Company, Mr. Speaker, is laying off 200, 300, and 400 people, heads of households, who have been working for 10, 15, 20, 22 or 25 years, who are Canadians like you and me and who can suddenly find themselves in the lower echelons or simply laid off. This is how our whole system of social security in general, especially unemployment insurance, which is a negative program, a disincentive for the worker and because of which we can now say that unemployment competes against work, and this is how you have people with no urge to work or who are discouraged. It is a real drama to lose one's job after 20 years in a factory just because imports are not controlled.

Industrial Strategy

● (2020)

When the hon. member for Waterloo-Cambridge (Mr. Saltsman) asks for an overall industrial strategy to keep the employment level up, and especially the production level, it means, first, that we are going to impose very strict controls on our importation of products. The same situation prevails in the dairy industry; we import from foreign countries the butter and the cheese that we are able to produce here in Canada. Mr. Speaker, it goes without saying that it is because of this particular factor, and many others, that we have overproduction and the government has no other choice but to penalize our own producers. This is some kind of collective discouragement. However, the government is primarily supposed to encourage and support the initiatives of individuals and of businesses.

Mr. Speaker, the consequence is a serious and important loss of jobs which, at the regional or local level, may mean the end to the development of a city or a region or the beginning of that development. This is the case of Victoriaville with Robin and Utex.

Mr. Speaker, I would like to make another remark on this matter. Why did the government abandon the Local Initiatives and Opportunities for Youth Programs? Why? We are told that it is because of monetary cutbacks. So, which reason does the government put forward and how will these programs be replaced? What are we going to do with the students this coming summer? I know that the government will answer that they are going to create 10,000, 15,000 or 20,000 jobs throughout the country. But which industrial strategy does this fit in? Not a political strategy. In which industrial strategy? I fully agree that these programs be abandoned if they do fit into a particular industrial strategy. But this is not the case.

Mr. Speaker, the private sector must be helped rather than hindered. When we meet heads of small and medium industries, they complain of too much administration work to be done to meet government requirements. They tell us this has become extremely complex, and I know this for a fact, because I have gone through that experience personally. Sometimes two, three, or even four full-time professional accountants would be needed, simply to meet the requirements of all government departments such as DREE, Industry, Trade and Commerce, Revenue, and so forth.

What is needed for small and medium businesses is experts, specialists, advisors to help us improve and modernize. Also needed is new labour legislation ensuring efficient negotiations, rather than the kind of legislation that puts us in a confrontation situation from the start.

Work must be encouraged in Canada, rather than unemployment. More stringent and more efficient control of monopolies is needed in the food industry, in the basic materials industry, in the insurance industry or any other field, so that small and medium businesses can breathe and meet genuine competition.

In a number of industries, we face the kind of competition supposedly existing in those supposedly capitalist systems, since there is no genuine competition any more in a number of industries in Canada, because of those pervading monopolies either in the investment property field or in the money business through chartered banks that create money and are responsible for higher interest rates, or again in the extraction or manufacturing of essential materials.

This is why the cost of living is going up, employment going down, and small and medium firms can no longer compete. We have no anti-monopoly legislation, or if we do have it is collecting dust, as so many other things.

Mr. Speaker, it is one of two things: either we open our ears and work together in support of an employment strategy in Canada, especially for those aged 18 to 35 that are coming into the labour force, who have the necessary skills, who went into debt to complete their studies, and who face nothing else in the immediate future than a service and prolonged period of unemployment.

Mr. Speaker, I think those factors are important. An effort will have to be made above all, once this problem of industrial strategy is recognized, and I think that in that respect the motion of the hon. member for Waterloo-Cambridge (Mr. Saltsman) is right on, in that the government will have to recognize that the premise of the motion is absolutely true. If it is false the government only has to stand up and say what strategy it intends to draw its inspiration from for the months to come to really restore the confidence of Canadians in their economy.

In concluding, Mr. Speaker, I will refer to a brochure published not by my political party but by the government of Canada and entitled "Canada 1974", English version, published by Statistics Canada. It was prepared in the Yearbook Division, Statistics Canada. At page 203 of that wonderful brochure one learns extraordinary things. That brochure which is supposed to be given is sold to Canadians so they will know about the policies and how the government of this country works. Those are not general notions that are being transmitted to citizens and particularly immigrants.

So here are the pearls one finds at pages 202, 203 and following concerning the industrial strategy, the creation of employment and the fight against inflation. It will be understood there, Mr. Speaker, that the government of Canada made a choice the day it introduced that anti-inflation legislation. It decided by that legislation to break the process of collective bargaining. Indeed, there is no point in bargaining—you ask for 10 per cent, you get it; you ask for more, it is cut down to 10 per cent, or 12 per cent in certain exceptional cases.

Of course, that does not stop insurance companies from tripling their premiums in one year; nor does it stop the provincial government of Quebec or Ontario from increasing school and municipal taxes at exaggerated and abusive rates but it gives them a mouthful. There is a fight going on against inflation and workers are told: You will limit yourselves to 10 per cent. The whole process of collective bargaining is thus broken. An arbitrary judgment is finally arrived at. So much for that. That is the kind of industrial strategy being offered by the government.

Secondly, the government put an end to programs that were creating temporary employment, such as the Local Initiatives Program and Opportunities for Youth, but at least this meant occasional jobs, it was better than nothing at all. This is abolished. Finally, Mr. Speaker, this same

government increases bureaucracy that governs small enterprises and does not do anything against monopolies that stifle small and medium enterprises. I did not invent this, Mr. Speaker, I am referring to this brochure which reads:

The present state of economic knowledge suggests that there would be absolutely no trouble curing unemployment if it were not for the related problem of inflation.

There is the point. I continue to quote:

Unhappily many of the policies designed to increase spending and employment will also tend to exert an upward pressure on prices.

This is the third article on the unemployment inflation pattern.

There is no easy solution to this quandary. There is an inverse relationship between inflation and unemployment. Years of significant price increase are years of relatively low unemployment.

I invite my colleagues to read that; it is delightful, Mr. Speaker. The government starts out with the idea it cannot check both unemployment and inflation. There is but one strictly political alternative: fight inflation or fight unemployment. As the elections are far away, as they were won over the Progressive Conservative issue of a price freeze, the government says, to have a pleasant taste in its mouth: we will wrestle inflation to the ground. And it does so on the back of Canadian inflation, producers, employees and workers.

Here if what is said on pages 204 and the following, and I quote:

Economists are beginning to suspect—

—they are not sure, they are government economists—

... are beginning to suspect that sustained periods of rising prices may create expectations of further price increases which get built into business and wage contracts. The result is that ...

... because, they, the Liberal economists, suspect ...

... The result is that it will require ever-increasing amounts of unemployment ...

... I did not say that, Mr. Speaker, ...

... it will require ever-increasing amounts of unemployment to hold the rate of inflation to a given level.

And the economists who suspect something want to be so specific that they add the following in brackets, and I quote:

(In economic parlance this is referred to as an outward shift in the Phillips curve, which is just another name for the curve or function that shows the trade-off relationship between unemployment and inflation.)

That shows us, Mr. Speaker, how deep we are in obscureness. We live from day to day, which proves once and for all that this government has really no industrial strategy and that it governs from day to day depending on the number of votes it can get. Mr. Speaker, I hope this government will benefit from this debate and consider its position to help Canadian workers to actually build our country.

Mr. Yvon Pinard (Drummond): Mr. Speaker, on a point of order. Would the hon. member for Lotbinière (Mr. Fortin) allow a question?

Mr. Fortin: Yes.

Mr. Pinard: Mr. Speaker, at the beginning of his speech, the hon. member for Lotbinière said that our collective bargaining system within labour relations was obsolete and at the end of his speech he deplored that the Anti-Inflation Act counteracted this system he finds obsolete. I listened to his speech with interest and to this part dealing in particular with those labour relations he finds obsolete. I would like to know what his party or himself considers as non obsolete or as appropriate, given the circumstances, to change the collective bargaining system.

Mr. Fortin: Mr. Speaker, I shall be as brief as possible, considering that my time is over, but the question of the hon. member for Drummond (Mr. Pinard) is very interesting; it is also very complex. For a long time, on this side, we have stated and maintained that an arbitration policy with a labour court where the employees, the employers and a person totally independent could really lead to a decision on this kind of conflict. And we have always upheld the view that it was about time to have in Canada a permanent collective bargaining system and not one whereby bargaining can take place only when the former agreement, has run out, which means it may take one year for the new contract to be signed.

In other words, Mr. Speaker, granted that one cannot draw many conclusions from one brief answer but what we advocate is a labour court with both parties equally represented and a permanent collective bargaining system. This court could take care of the grievances and problems would be settled as they arise rather than at the end. This is in a way what is now taking place in Quebec. In this manner, Mr. Speaker, solutions would be arrived at or at least the situation would be improved upon.

Right now, it is enough to look at the Quebec public sector where there is no permanent collective bargaining system and where there is not that kind of labour court or compulsory arbitration. You see immediately the kind of mess that province is in. Sick people are not allowed to stay in hospitals, children are kept away from school, teachers cannot teach and all that is proving very expensive.

I think, Mr. Speaker, that the solutions I advocate are not ideal. In answering to the question put by the hon. member for Drummond, I will say that these are only elements of solutions, and that if we can devise a lot of technical things today in our society, certainly we can, as intelligent people, find out positive means allowing people to work.

● (2030)

[*English*]

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I do not intend to take too much of the time of the House on the motion that is before us today. That does not mean, of course, that what I say succintly will not be right. The motion criticizes the government really in two areas; first of all for its failure to develop an industrial strategy, and then it goes on to point out that this lack of an industrial strategy has resulted in severe problems of location for Canadian workers and industry.

In developing any kind of industrial strategy it is fundamental that you have some control over your economy.

This control has to be in two areas in particular, and I want to deal with each separately. First of all, you must have some control over foreign ownership; secondly, and just as important, you must have some control over competing forces within the economy, and this includes both labour and business. Some form of control or consensus or social contract must be arrived at so you can develop an acceptable strategy for the future.

It is getting a little boring to go through a whole litany of figures showing the extent to which Canada is foreign owned, but I still think they bear repeating. For example, 99.9 per cent of the petroleum industry is foreign owned. The figure is 97.7 per cent in the automobile industry, 62 per cent in mining, 83 per cent in the rubber industry, 77 per cent in the electrical apparatus industry, 90 per cent in the computer industry, and 92 per cent in the aircraft and aircraft parts industry. You cannot develop an industrial strategy, or control your own economy, or reduce inequity in society until you get a handle on this major problem of foreign ownership.

If your economy is foreign owned and the country of the parent companies suffer a recession, then workers of subsidiary companies are the first fired and the last hired. The Canadian subsidiary of an American company like Bordens Milk and subsidiaries of any number of other foreign companies are bound to suffer when the parent company decides that it is in the company's best interest to phase out its Canadian operation and thereafter takes the easy route of manufacturing the product at the location of the parent company and shipping it into Canada.

This has happened many times, but one of the examples specified in the motion is Dunlop Tire. The right to manufacture Dunlop tires in Canada is going to be withdrawn by that company. These tires will now be shipped in from the United States, meaning a loss of Canadian jobs and Canadian business. We will have to buy something called the Dayton tire which will compete with the Dunlop tire. Whoever heard of the Dayton tire, and who will find that it can be a successful competitor with a tire that is known and has been patented throughout the world? It is the trademark that has the value as well as the advertising of the name. Because we lack an industrial strategy and a meaningful foreign ownership policy in this country, thousands of Canadian workers are going to be put out of work.

The case of Microsystems is also referred to in the motion. The government allowed a subsidiary of Northern Electric to be closed down after you, Mr. Speaker, I, and the taxpayers of Canada had pumped $40 million into it. This company had developed a very unique and excellent process for building complex microprocessors. There was really no indication that the government knew what that company was doing. As a result, a new Canadian technology that could have been quite successful in world terms went down the tubes.

We will see what are the government's intentions when we examine the Pratt & Whitney situation at Longueuil. Here again the Canadian subsidiary of Pratt & Whitney has a chance to enter into a contract with Rolls Royce to undertake the research, development, and manufacture of a new small jet engine which will be the engine of the 1980's in terms of civil and military jet aviation. It seems that the U.S. justice department found this offensive.

When Pratt & Whitney, a large U.S. aircraft company, locks itself into a contract with Rolls Royce, from an American point of view it looks like a violation of their anti-trust laws. Because of the action of the U.S. justice department, a Canadian subsidiary stands to lose about 1,000 jobs, a large contract for the future and, perhaps just as important, the expertise and talent that go with the aircraft industry.

Canada used to be a world leader in the field of aviation. We pioneered bush piloting and transportation over great areas of this country. We had a lot to show the world. But what has the Liberal government done over the years, Mr. Speaker? It has allowed our aircraft industry to go completely down the tubes. It has allowed all that technology and expertise to go south of the border, leaving us even more as drawers of water and hewers of wood, shipping out our raw materials and our jobs.

An hon. Member: And even the shipping is done in foreign ships.

Mr. Leggatt: That is right. That is what has happened to our aircraft industry. We have not had the courage or the guts as a country to stand up and be independent and take pride in the developments and the technology we have. We used to lead the world, but where are we now? We are going down to the United States to pick up $18 billion worth of Lockheed Orions developed entirely in the United States. All we are going to do is manufacture a few components. It does not take that much in terms of research, expertise or engineering.

● (2040)

We are continuing to ship our best people south of the border, which is a discredit to this country. We will suffer in the long run. We will suffer as we lose the talent and brains this country is capable of developing. What Canadians need is pride in themselves, and they will not get that pride if the government continues to take a hangdog attitude about what we are and are not capable of doing. I say that Canadians can produce the finest aircraft in the world and they should be given the chance to do it.

An hon. Member: It is not very often I agree with you, but you are right.

Mr. Leggatt: I am happy to hear that hon. members are going to support this excellent motion.

Some hon. Members: Hear, hear!

Mr. Andras: But they haven't read it yet.

Mr. Leggatt: Dealing with another aspect of what we term the lack of an industrial strategy, one of the classic pieces of legislation brought in was the Foreign Investment Review Act. That was an attempt to redress the massive problem of foreign ownership. This is something that Walter Gordon in a sense lead for many years. He lead the fight in terms of trying to repatriate the Canadian economy.

An hon. Member: And look what happened to dear old Walter.

Mr. Leggatt: Yes, look what happened to dear old Walter. He could not stand his companions in the cabinet and he had to leave. To his credit he left, and he left a gap on that side of the House because they have not been able to get anybody to come back and take that position in the cabinet, that is, somebody with some sensitivity for this question of foreign ownership.

An hon. Member: What about the empty seats on your side?

Some hon. Members: Oh, oh!

An hon. Member: There are a few empty heads over there.

Some hon. Members: Hear, hear!

Mr. Peters: Some of the seats that are sat in over there are still empty.

The Acting Speaker (Mr. Turner): Order, please. The hon. member for New Westminster (Mr. Leggatt) has the floor and I suggest we should listen to him.

Some hon. Members: Hear, hear!

Mr. Leggatt: Thank you very much, Mr. Speaker. To get back to the Foreign Investment Review Act for a minute, it really is not legislation, it is a welcome-wagon arrangement for foreign capital to come in and take over segments of the Canadian economy it should not be allowed to take over. Another example is the Foxborough Cheese Company down in Belleville, Ontario. Foreign investment was allowed to come in because the company was going to create all kinds of new employment down there. The ex-mayor of Belleville, who is a well respected member of this House, is very conscious of this particular problem in Belleville. Under this wonderful foreign investment review legislation the Cow & Gate Company was allowed to come in and buy out Foxborough Cheese, with the promise of all kinds of jobs. It then shut the company right down. What did FIRA do in that respect? Where was the monitoring in that regard? Where are the charges that should have been laid because of the failure to meet certain commitments? Last, but not least, what were the commitments?

I have about 145 questions on the Order Paper asking for some simple information that the people of Canada are entitled to have. What are these commitments that foreign corporations are making in order to get into the Canadian economy? I am told that this is secretive and sensitive information. Almost everything you ask of the government is secret. Apparently we should not be allowed to know what is going on. Obviously the Canadian people are not mature enough to be able to accept the kind of sensitive information these companies are handing out.

The only time we get information about commitments is when it is about something like the Lockheed deal. The government told us in this case about the wonderful jobs this would create and the good things it would do for Canada. Why does the government not tell us about the other things which are approved? Not once was information given in respect of a question on the Order Paper in terms of commitments that these companies make when they are allowed to take over, or in terms of the monitoring. There are no experts on the monitoring staff of the Foreign Investments Review Agency. There is no strategy development to monitor the companies after the takeover. The government relies on the information provided by the takeover companies regarding what is being done, and monitoring is a complete farce under Foreign Investments Review.

The legislation is meaningless because not a single charge has been laid against a company that came into Canada and did not meet its commitments, which in the first place were the reason the company was given permission. Surely the minister will wake up to the fact that his legislation is a farce. The Canadian people know it is a farce, and if the minister does not do something about it soon he will himself be considered a farce.

An hon. Member: You don't think that kind of talk will get you anywhere?

Some hon. Members: Hear, hear!

Mrs. Holt: You are still using the same old speech.

Mr. Leggatt: I use the same old speech because it is the same old problem, and no one does anything about it.

Mrs. Holt: The same old partnership.

Mr. Leggatt: For the benefit of my friend, the hon. member for Vancouver-Kingsway (Mrs. Holt)—

An hon. Member: Oh, you are friends?

Mr. Leggatt: Always. She being from British Columbia, I should like to give a couple of examples in that province about which she will be aware and sensitive. First let me remind her of the Fraser Valley Cannery. The Fraser Valley used to have one of the finest cannery industries in Canada. We all know what happened to it. It was bought out by the American Can Company and then immediately shut down. They found it was a lot cheaper to process the food across the border and ship it into Canada in cans.

Some hon. Members: Shame!

Mr. Leggatt: We used to have an excellent company in British Columbia that developed a special skill saw. This group of Canadian entrepreneurs had an excellent skill saw. It received a takeover bid from the Skil Saw Company of the United States. They were told the company just wanted to run this organization a little more efficiently. Skil Saw was going to send its experts in, but what happened? They shut the company down and shipped skill saws into Canada from the United States. There went our Canadian jobs, and there went the B.C. economy.

That is what happens when you have a country that is owned, dominated, and controlled by large foreign corporations. We must reduce our dependence on these companies.

Mrs. Holt: They priced them out of their jobs.

An hon. Member: Did you people discuss this on your trip east?

Mr. Leggatt: That is absolutely untrue. The hon. member who spoke is, without exception, entertaining if

not enlightening. In that particular case the Canadian saw was marketed at a price lower than the United States saw. That is why the United States company came in and took it over. It was such good competition the U.S. company could not afford to have the Canadian saw on the market. Therefore it took the company over, shut it down, and shipped its own saws in. This was a marvellous setup. Unless we have some industrial strategy this country is going down the tubes in terms of controlling its own destiny.

Let me go to the second heading on the question of an industrial strategy. We have to develop a social contract or an internal consensus within the country in order to have any kind of meaningful industrial planning. As a fundamental to that we must take a look at western Europe and its move into an industrial democracy in which the people working in industry have some participation in the decision-making process. The workers have some representation on the boards of directors and there is a whole theme involving the workers in the productivity of their jobs. We are ignoring this in Canada because we are still fighting the 19th century class war in terms of industrial strategy.

I am not one of those who think collective bargaining is something that is cast in tablets of stone. I do not happen to agree with Joe Morris that collective bargaining is something we can never change.

Some hon. Members: Oh, oh!

Mr. Leggatt: I thought there might be some response if someone says he does not agree with Joe Morris. I do not think collective bargaining is cast in stone. I cannot stand in this House as a socialist and suggest we should have totally free enterprise in planning the economy. If labour leaders want to make that kind of a speech, that is fine. As a matter of fact they are making it in their own interests. That is a different segment of society. We want those members in this House who represent business rather than labour to be just as objective in advocating the prerogatives of business.

Some hon. Members: Oh, oh!

● (2050)

Mr. Leggatt: I wanted a little objectivity, and all of a sudden everybody is upset about the fact that they are looking after one segment of the society and not the other.

The Acting Speaker (Mr. Turner): Order, please. The hon. member has only a couple of minutes left, so I suggest he continue his speech.

Mr. Leggatt: In any event, Mr. Speaker, in terms of an industrial strategy I have one last point to make. By the way, British Columbia now has just about the highest unemployment in the country, in terms of the increase. We are up to 9.7 per cent.

Mr. Paproski: They are all former members of the NDP.

Mr. Leggatt: And they are about to lay-off 400 workers on the B.C. ferry system, which will not help the unemployment rate and will not help the economy of B.C. one bit.

[Mr. Leggatt.]

That is the kind of industrial strategy that I am urging upon this government: do not lay-off people because you see the bottom line. It is important that we keep all segments of our society working. If you do not have them working, then they will refuse to go along with any social consensus, and they have a perfect right to do that. You talk about redistribution of wealth in Canada. Since 1951 we have not seen anything changed. The bottom 20 per cent still get 4 per cent of the income in this country, and the top get 20 per cent.

Mr. Guay (St. Boniface): You are out of order. You are not speaking from your place.

Mr. Leggatt: To wind up this thing, whatever it is—

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Turner): I suggest to the hon. member he has 30 seconds in which to wind it up.

Mr. Leggatt: The point I was making is that since 1951 we have been talking in this House about redistributing income, about making society fairer for all. The statistics are overwhelming. There has been no change—the richer have become richer, and the poorer have become poorer. If at least the government showed some sense of social justice, if at least it were willing to see some meaningful—

The Acting Speaker (Mr. Turner): I have to interrupt the hon. member but his time has expired. Is there unanimous consent to allow the hon. member to continue?

Some hon. Members: Agreed.

Mr. Leggatt: Thank you, Mr. Speaker. I would like to thank the House for its kindness and I will make sure I speak from my place in accordance with the time honoured rules of the House.

Some hon. Members: Hear, hear!

Mrs. Holt: Your whole speech is invalid.

Mr. Leggatt: In conclusion, Mr. Speaker,—

Mr. Knowles (Winnipeg North Centre): At least he did not speak with blue tongue.

Mr. Leggatt: —I did want to say that no industrial strategy—no matter which party puts it forward—will work in this country unless you develop a social contract. Have a look at what has happened in western Europe. There they have told the workers that if they limit their wage increases, they will redistribute wealth, they will see that at the bottom end of the tax structure inflation will not take away the well earned gains of the workers.

I do not see any proposal like that from our government. I do not see any proposal which attempts to accept, for example, the magnanimous gesture of the Canadian Labour Congress today asking to participate on an equal basis with the government and business in terms of planning the economy. Do not keep kicking the outstretched hand of labour in this country. Do not do it because, if you continue to do it, we will have social chaos. Nobody wants that kind of emergency to develop. Give some consider-

ation to the people who work with their hands and who have low incomes in Canada. Give some consideration to developing a real social contract so that we can get together as a nation and fight inflation, redistribute wealth, and end what could happen in this country, namely, a flying apart of the various competing groups in a state which we cannot control.

[*Translation*]

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, when I read the motion before us today which says that the government has no industrial strategy, I have the impression that those who introduced it are surely unaware that we now have an industrial strategy.

It is perhaps imperfect or inadequate, according to some members, but I think that those who suggest there is no industrial strategy are insinuating that Canadian history begins with themselves, with the hon. member who introduced this motion. However, I must congratulate the hon. member on this motion which allows us to explain once more all the characteristics of the industrial strategy. During the oral question period or on the adjournment motion some questions were raised which appear again in the motion concerning Westinghouse and Dunlop. I think that the minister answered the questions which were asked but in this debate, it enables us to dwell more at length on the industrial strategy.

Let us first establish the areas of industrial activity and to that end, let me divide it into three sectors. We must first know what we are talking about in order to lay the foundations of an industrial strategy. So, there is the primary sector, which is the resources sector which includes renewable resources. In the primary sector, I would mention renewable resources, and I would also say that in the Western world, among industrial nations, Canada has a unique position in that it is self-sufficient as regards energy and raw materials. The secondary sector is composed of the two following groups of industries: the processing and the manufacturing industries. The tertiary sector is our industries and services sector. Over 50 per cent of jobs in Canada are in that sector, and half of it produces expendable items while the other half includes in about equal proportions personal and public or governmental services. Let us now state the objectives to be sought in planning the future development of our industries.

Then, we must fix the six key goals for the future development of our primary, secondary and tertiary industries. First, we must develop manufacturing and secondary processing industries which would be efficient and competitive at the international level to face the competition in Canada and even outside. Second, we must achieve a situation of full employment in Canadian industry to meet the present and future increase in manpower. Third, we must increase the national revenue and at the same time promote a regional economic expansion which would lessen the disparities between the various regions. Fourth, we must expand the processing of our natural resources in Canada to get the maximum profit out of them. Fifth, we have to establish better control over the Canadian economy and take action so that our future industrial development may be done by Canadians and for Canadians, and I believe that the hon. member who spoke before me mentioned the policy on foreign investment, which is one of the priorities. We must contribute to improving the quality of life in Canada, as certain hon. members said today, by reducing the unfavourable effects of industrial activities on our natural environment and social contacts.

Now, without going into the details of those objectives, I would like to mention a few programs which will support these objectives, these key point that I mentioned earlier. We can recognize at least 10 or so major programs which form the heart of the industrial strategy, that is our tax policy, our tarif and trade policy, our industrial support policy, our regional development policy, our labour policy, our competition policy, our foreign investment policy, our mining and energy resource policy, our transportation and communication policy and our environment policy.

I would like to mention a few concrete examples to show to what point it is not a question of developing today an industrial policy and to show to what point we have for several years had a true industrial strategy with specific objective, such as those that I mentioned. If you allow me to do so, I would like to mention certain instruments used to help the industry promote certain products, to expand on the domestic or export markets. I would like to mention also the equipment industry productivity program. We have a new program which allows the Canadian industry to benefit from all types of subsidies, the Industrial Design Assistance Program, which gives financial support aimed at reinforcing the competitives status of Canadian industry.

● (2100)

I will mention the Industrial Research and Development Incentives Act, the SPACE Program for the Advancement of Industrial Technology. The department is usually sharing 50 per cent of the costs of new and improved products and commercial processes development projects.

I will also mention the regional development grants. This is presently a very useful program, so necessary as an economic incentive for the areas where the industry would not establish itself. I could also mention the Program for the Advancement of Industrial Technology, whose objective is to help industry—improve its technology, its innovation process, by subsidizing specific products and processes development and improvement projects. And contributions in this case may rise up to 50 per cent of the costs.

I will also mention the Industrial Research Assistance Program, which I have already alluded to. Then there is the Program for Export Market Development. This program has had a large popularity, considering that in 1975, the Export Development Corporation's contribution, through loans, insurance and guarantee, rose up to $2 billion, compared with $1.7 billion for the previous year, that is a 20 per cent increase.

I would like to mention that in respect of foreign investment guarantees, we have recorded a considerable increase. I would like thus to point out that this Export Development Corporation has been quite successful if we consider that in 1975, 40 agreements on loans were signed with foreign borrowers in order to support some Canadian exports. These agreements, including participation by banks, amounted to $1.135 billion which is a record since

the creation of the corporation 30 years ago, and an increase of 72 per cent over last year's record of $659 million.

It is, therefore, another tool which can be used to assist industrial expansion. I could mention also another program, CASE, whose purpose is to help the management of small enterprises which often, because of rather rudimentary administrative structures and lack of resources, cannot secure expert services. So there is an assistance program to help small businesses. Some were already mentioned this afternoon. I want to refer to the performance of small businesses last year, in the light of the loans made by the Federal Business Development Bank. But before doing that I would like to say that last year since the CASE program was set up we helped scores of businesses, and over 325 last year.

In the area of assistance loans to small businesses, to which the hon. member for Lotbinière (Mr. Fortin) was referring, I will say that if one considers the distribution of loans by provinces, there again the department also has an industrial strategy policy to help small businesses. I note, for example, the votes in effect on September 30, 1975. And in considering the number of businesses that benefitted from loans made by the Federal Business Development Bank—previously the Industrial Development Bank—one notes that in Quebec 4,899 businesses benefitted from loans; in Ontario, 7,255 businesses benefitted from loans; so the relative amounts are $680 million and $861 million which are the votes authorized for the period going from November 1, 1944 to September 30, 1975. There again is a policy, an element of our industrial strategy to help small businesses and make them more efficient.

Reference was made earlier to aeronautics, and I think in that respect I would refer hon. members to the statement by the Minister of Industry, Trade and Commerce (Mr. Jamieson) about the purchase of Canadair Ltd. from General Dynamics Corporation, of St. Louis, at the cost of $38 million. The minister stated at that time, and I quote:

> . . . that this way there will be excellent possibilities of restructuring the aircraft industry in Canada and getting a stable industry more controlled by Canadians, of developing excellent capabilities in the area of specialized commercial aircraft . . .

I will also mention the creation of about 3,000 new jobs by 1983. There again, you see that the department is actively looking after the aircraft industry.

I would also like to mention the famous Turnkey Projects. Policies are set up for Turnkey Projects Centres to improve Canadian participation in annual markets estimated at between $20 million and $50 million.

We now have a very good experience in the field of transports, forestry and airports. Here again, we can recognize that last year the Canadian companies have tendered for many Turnkey projects, whose foreign markets are presently estimated at more that $100 million. Before, Canadian bids on such projects were rather rare.

I would also like to mention one of our very interesting experiences in the manufacturing of trains; as far as the contract with the LRC is concerned, these trains are now built at the Bombardier factory in Sainte-Anne-de-la-Pocatière.

[Mr. Roy (Laval).]

[*English*]

I should like to mention the gowth and importance of Canada's consulting and technical service industries in international markets. During the past 10 years the consulting and technical service industries have played an increasingly important role in Canada's international trade activities. It is estimated that this sector of the service industries which contribute more than one billion dollars annually to the Canadian economy consist of some 8,000 firms and export approximately 150 million dollars annually. During the period from 1970 to 1975 their exports have increased approximately 300 per cent. Their impact on Canada's international trade is not only reflected in the services they export but the role they play which leads to the export of manufactured products.

● (2110)

For example, in virtually every case it is the consulting engineer or management consultant which takes the lead in promoting the sale of large capital projects abroad. In 1972 actual Canadian equipment orders for projects on which Canadian consultants were involved totalled $90.3 million. Potential equipment orders were estimated at $343 million.

[*Translation*]

Mr. Speaker, I think that all these policies have contributed to underline the importance of this aspect and to give the most encouraging results, if we take into account that from 1965 to 1970 we created more than 1,200,000 new jobs, a fact which the minister for Manpower and Immigration (Mr. Andras) mentioned during the debate this afternoon, and if we take into account the number of new jobs created in Canada, about 1,500,000 jobs for the last five years. I think that these figures indicate that Canada has an industrial strategy policy. If we go on implementing this policys, we will contribute to the development of the Canadian economy.

I am very grateful to the hon. member, and I do congratulate him, for proposing this motion which gave us the opportunity to study the present situation, which will help putting new pressures for the development of new measures.

[*English*]

Mr. Deputy Speaker: The hon. member for Halton-Wentworth (Mr. Kempling).

An hon. Member: Now we will get the truth.

Mr. Bill Kempling (Halton-Wentworth): Now we will get the truth, yes.

At the outset, Mr. Speaker, I should like to congratulate the hon. member for Waterloo-Cambridge (Mr. Saltsman) for putting this motion on the Order Paper today. It is certainly a subject that should be talked about although we have already covered it many times already in the question period and in committee. The unemployment figures of today, the disastrous balance sheet, and the global prospects that we foresee, make it imperative that this type of debate should take place.

The key words in the motion are "lack of an industrial strategy", "job losses", "falling production", "uncertainty" and "761,000 Canadians are without jobs". I could not help

but feel when listening to the Parliamentary Secretary to the Minister of Industry, Trade and Commerce (Mr. Roy) that he must have used the Canada Year Book to put his remarks together. If we were to take what he said as gospel we would not have so many unemployed people, we would not have the disastrous trade balance; instead we would have a buoyant economy.

I might say at this point, Mr. Speaker, that although the minister is not here tonight he had the courtesy to call and explain that he had a prior engagement, in Vancouver, I believe, and apologized for not being here. I wish to thank him for that courtesy.

Mr. Blais: No curve?

Mr. Kempling: What we are really concerned about is the lack of an industrial strategy. We have heard the minister who occupied the portfolio of industry, trade and commerce in the twenty-ninth parliament and the present minister claim that it is impossible to put forth an industrial strategy for Canada. I am sure the present minister has said that at least 15 or 20 times in committee before he changed his tune and said we are developing a sectoral strategy and may have 15 or 20 different strategies for Canada.

We have had eight years of government led by the Prime Minister (Mr. Trudeau) and in that time we have had talking, waffling, programs, studies, seminars, and meetings, but the net result is that we are in the worst trade position we have ever been in; we have the highest interest rates in the western world and the highest mortgage rates in the western world. All we get from the Department of Industry, Trade and Commerce are alphabet programs and slogans, while the trade deficit grows and the minister forecasts another deficit for next year. We see no strategy, only a retrenchment and a discouraging picture for people involved in industry.

I used to have a great deal of respect for the Department of Industry, Trade and Commerce and the people who work there. For years I have defended them and said I thought they were some of the most expert people in government in the western world in regard to trade. When we look at what has happened, however, they must shoulder their share of the blame. They are charged with the responsibility of putting these programs together, although I will admit they have not had very good direction. The former minister of industry, trade and commerce had made a total disaster of the portfolio of science and technology as well; now he is in the energy portfolio and it is in a mess. It seems that they move him in everywhere there is a disaster. As his present department states in its television advertising, if I may paraphrase it, the problem is that he is not part of the solution, he is the problem.

I sometimes wonder what we should do with people in the department who bring forth these programs which fall apart. Perhaps we should hire them on a five-year contract. If they are to be charged with the responsibility of directing industry and the so-called industrial strategy then perhaps you should put them on the same basis as industry. In industry if you do not produce you are out. Maybe that is what we should do here; have these people on a five-year contract and say, "Produce or get out". They should be charged with the responsibility of bringing forth these programs, but should they have all this security?

Mr. Railton: Mr. Speaker, on a point of order—

Mr. Deputy Speaker: The hon. member for Welland (Mr. Railton) on a point of order.

Mr. Railton: Mr. Speaker, it seems peculiar to me that since it was the New Democratic Party that called for an opposition day today, they should only have one member in the House to support their motion.

Mr. Saltsman: Mr. Speaker, on a point of order—

● (2120)

Mr. Deputy Speaker: Order, please. Hon. members seem to be concerned as to who is in the House. I do not think that helps the debate; and when hon. members count the members present, that does not help the image of this House. Perhaps hon. members will remember this.

Mr. Saltsman: Mr. Speaker, I rise on a point of order. For the sake of the record—I know the hon. member would not want the record to be incorrect—I point out that three of our members are present. One of them is consulting with one of his colleagues on an important matter. Because he is on the side opposite to me and the hon. member can only see the back of his head, I suggest that the hon. member should see his eye doctor.

Mr. Kempling: Mr. Speaker, I also note that three or four committees are meeting this evening and some hon. members who would normally be in the House are attending those committee meetings.

I was talking about the staff of the Department of Industry, Trade and Commerce and saying that perhaps we should put them on the same footing as we put industry. In other words, let us make contracts with them. Then, if they do not produce good programs and implement them properly, we can replace them. In other words, they should either produce or get out. That is the way it is in the business world; perhaps we should explain that to them.

Jobs are created when someone has an idea for a product or service. A person identifies a market. Then he needs money, people, plant, and equipment, to bring the product to the market. He needs the motive of a profit, and confidence that the economy will not fall apart. But he also needs to know that the government is in touch with reality, and is concerned about inflation and foreign trade. And what has happened today?

At present we have 761,000 Canadians unemployed. And what do we hear the government say? We hear the Secretary of State (Mr. Faulkner) making his PR-type announcements to the effect that Canadians do not know their own identity, and so on. Let me tell him that those 761,000 unemployed Canadians know who they are. They are not concerned about the type of identity about which the minister is concerned. They want jobs today; they want pride, something to hold on to; they want to hold their heads up in society and be part of the economic scene.

The young people I have talked to want a job, a home, a car, a cottage in the north—

Mr. Gillies: And a change of government.

Mr. Kempling: They want a change of government. That is right. You know, the final arbiter of this debate will not be the House of Commons; it will be the people of Canada. The 761,000 unemployed are part of the population of Canada and will cast their votes accordingly.

I am about to talk about the government's budgets and the spending estimates, but as the Minister of State for Science and Technology (Mr. Drury) has entered the chamber, let me say a few words about a subject which concerns him. We had an interesting debate the other day on science and technology. His department is part of the problem. We heard the parliamentary secretary talking about the development of Canadian industry. He ought to talk to the Minister of Finance (Mr. Macdonald) about the effects of section 12 of the AIB regulations on research and development. Will the minister do something about that particular section? I hope he will, and I hope he will talk to his colleagues about it because at present it is a disaster.

Some hon. Members: Hear, hear!

Mr. Kempling: If we are concerned about what is happening to our industry we should be concerned about cutbacks in research and development at the university level. Just look at the programs the Department of Industry, Trade and Commerce has cut back. It has cut back several industrial and research development programs.

The parliamentary secretary spoke at length about the loans the federal business development bank is giving businessmen. Let's not kid ourselves. Those loans are granted at up to 3 per cent above the going rate the banks will charge, if they lend the money. The federal institution is not giving our businessmen any gifts. Look at the Small Business Loans Act and think of the anguish people go through trying to get a loan under the Small Business Loans Act. Then look at the MOSST report on venture capital in Canada. I suggest hon. members should read what it says.

In a few days the government plans to bring down a budget which will look ahead about ten months. You know, other western countries bring down budgets which look two, three, even five years ahead but we are content to look between ten and 12 months ahead.

Profit is the greatest incentive to investment; inflation and uncertainty are the greatest disincentives to investment. We should reflect on that, because when you go out into the real world and talk to people with money to invest you will find that many have put their money in the short-term money market or savings accounts. Why do they not invest it? They have no confidence in the future. There are too many uncertainties, too many year-end philosophizing statements by the Prime Minister on where the "new" economy will go. We must straighten these things out if we are to develop an industrial strategy in this country.

I am particularly annoyed about the attitude of some people who are given responsibility for some industrial programs. Sometimes after a committee meeting I have walked out of the committee room behind some of the departmental people who have attended the meeting, and heard comments made about "snivelling businessmen," those being "snivelling businessmen" who appeared before the committee. I say that attitude is absolutely disgraceful.

[Mr. Gillies.]

The big battle, which will come sooner than later in this country, will be between people who produce taxes and people who consume taxes. Sooner or later those who are operating businesses, working, and paying taxes, and those who are consuming those taxes will meet head on and, let me tell you, it will be one awful battle.

When I consider the government's so-called industrial strategy one of the things that strikes me is what appears to be the complete absence of co-ordination between the Department of Industry, Trade and Commerce, DREE, and the Department of Finance. Let me put some examples on record.

The Department of Transport has set up a consortium which is to work with the shipping people in Canada to build a series of vessels. The motor vessel *Arctic* is now under construction at Port Weller. A certain Canadian company submitted a bid on some deck cranes with which the vessel was to be equipped. What happened? They submitted their bid; there were no specifications. After they had put their bid in they told the shipping people that the cranes were of 85 per cent Canadian content. The people who make the decisions in Canada Steamship Lines said to them, "Don't mention Canadian content; that will be a mark against you." The crane people said, "Our cranes are of 85 per cent Canadian content." The shipping people said, "Don't mention that."

And what happened? The government people ended up giving the order to a company in Norway. Ten of these vessels are to be built, and all sorts of merchant vessels are being built in the United States which will use this equipment. The Canadian company developed a market for its product. Although this was an opportunity to introduce a new product which had never before been manufactured in Canada to the Canadian scene, despite the fact that there was a chance to get in on the ground floor, the order was given to a company in Norway.

When the people I talked to looked into this matter, they were flabbergasted, astounded. They were told that the company in Norway will supply a crane using low pressure hydraulics, because that is necessary. That, I submit, was a bunch of garbage. My own company just finished a series of tests on some cranes mounted on crawler tractors which are to be used in the high Arctic. The particular crane in question was chosen because it uses a high pressure hydraulics system, which, in our cold weather tests and in our cold weather environment, is much more efficient than a low pressure system.

● (2130)

That is the only reason they gave. Price was not a factor. It was not a case of low bid or anything else. The prices were relatively close. There was no specification whatsoever.

There is a case of a small manufacturer in my area. He makes, of all things, clay pigeons. Some hon. members may have read about this recently in the paper. There are 35 million clay pigeons consumed in Canada yearly. Searle Industries manufactures 25 million of these. The balance is made in British Columbia, and by another small company in Hamilton. The industry is actually in a position today of oversupply. This person has approximately 10 million clay pigeons in stock.

What do you think has happened? The Department of Regional Economic Expansion gave a $65,000 grant to a company from France which is going to put up a clay pigeon manufacturing plant in Quebec. Here we have a company in Hamilton whose employees are on half time, or unemployed and drawing unemployment insurance, and we will now have a new plant that is going to supply a market that is already in an oversupply situation. What sort of nonsense is that?

When we talked to the regional people at DREE, they said that seven new gun clubs are starting up and that will look after this industry. That is a lot of nonsense. With the automated plant now in operation, they can turn out these clay pigeons.

For the Olympics they will not be using clay pigeons made in Canada. They will be imported from France, even though this man has ten million in inventory. How ridiculous can we get!

There is no coordination between DREE, Industry, Trade and Commerce, and the Department of Finance. We have had on-again off-again capital cost allowances. Where does that leave us? I wonder whether some of the people in the Department of Industry, Trade and Commerce have ever had anything to do with business or whether they simply came out of the academic world into government and decided to tell how everything is to be done.

When you are planning and developing a business, time is a very important factor. It takes time to develop a market, time to develop sources of capital, and time to train people. What our business people really need is a development policy that will give them time. They need a span of years in order to put together the various ingredients that make up a business.

Mr. Deputy Speaker: Order, please. I regret having to interrupt the hon. member, but the time allotted to him has expired.

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, listening to interventions by the hon. member for New Westminster (Mr. Leggatt) and the hon. member for Halton-Wentworth (Mr. Kempling) it seemed as though they were looking so closely at the trees they lost their capacity to see the forest. One wonders where they have been for the past 30 years. When preparing their speeches they did not look at what has happened in the past 30 years.

In the past 30 years there has been a rapid increase in our industrial growth. We have developed a strong steel industry, as well as pulp and paper, chemical, oil and gas, plastics, synthetic fibre, plate glass, aluminum, electronics, to mention just a few. We are now manufacturing different types of heavy industrial equipment as well as a very wide range of consumer and durable goods which we export.

Today manufactured goods account for 40 per cent of our total exports as compared to about 10 per cent 20 years ago. As for minerals, we are now processing and refining more of these here in Canada before exporting them. For instance, in the past we used to export raw iron ore; now we process this into iron ore pellets. The same applies to copper and nickel, as well as forest products.

Canada participated in the Kennedy Round of negotiations to remove tariff barriers to world trade in progressive stages. Canada depends on exports and it is to our advantage to have world markets open to us.

We signed the auto pact with the United States to ensure that more of the manufacturing of the cars we buy is done in Canada. This pact has resulted in the growth of our auto parts industry. The pact accounts for a significant portion of our finished exports.

We modernized our ports and went in for container shipping to maximize the advantages of our St. Lawrence Seaway. We are now manufacturing 2,000 new rail cars to transport our wheat and other bulk export products. We established Panarctic to own outright the major share of any future development of our northern resources. We established the CRTC which has resulted in the growth of a Canadian radio and television program industry. We now rank third in the world in the production of musical records. Our government has considerably increased the amounts of money available as loans to small companies, as well as the grants for research.

We formulated a foreign policy clearly aimed at expanding the scope of our export markets. We signed trade agreements with the Soviet Union and the People's Republic of China which led to huge sales of grain. Because of our bilingual character we not only have an affiliation with the British Commonwealth countries but we have an affiliation with the French-speaking nations of the world. During the past few years our trade with the Francophone nations almost doubled, and in the future we can look forward to a steady growth in these markets.

We established the Export Development Corporation in 1969. This was very well described by the parliamentary secretary. This was done to put an emphasis on exports. It is essential because Canada depends on exports to maintain our high standard of living and our jobs.

We established the Canada Development Corporation, described earlier by the hon. member for Ontario (Mr. Cafik), to finance new Canadian industries and buy shares in existing Canadian companies that are expanding. As recently as last week there was a report that the United States government was about to place an order with Bombardier for highly industrialized products in the amount of $36 million. This is possible because of the technology and know-how developed in Canada over the years.

There are two other areas, perhaps of lesser importance, but significant for cultural and aesthetic reasons. We have done extremely well in the field of developing Canadian fashions and the sale of Canadian books, particularly in Europe.

There are areas in which we have to improve our performance, making sure that we keep up with changing technology and the very keen and competitive production in other nations. However, it seems to me we have laid a sound base for our present and future growth.

● (2140)

We do have to deal with the difficulties which are characteristic of the seventies, of course. First, we have to keep in mind that automation is replacing manpower at a faster rate than in past decades; we must therefore intensify our efforts to retrain workers as some industries become obsolete and others offer new opportunities. Then again we

have to take into account the existence of stiffer competition for export markets. We must also give thoughtful consideration to the rapid depletion of our environmental resources.

I notice that the hon. member for Timiskaming (Mr. Peters) is to speak next. I know that in his usual way he will make a learned and well-documented speech based upon the facts and upon solid information. If he does this, I am sure he will be bound to reach the conclusion that the Government of Canada has done well for the nation.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I wish to thank the hon. member for Davenport (Mr. Caccia) for indicating I might do some of those things, but I am afraid I shall have to disappoint him.

I am surprised that so little has been said in this debate by other government spokesmen or the official opposition about their attitude toward an industrial strategy for Canada. One of the things for which the New Democratic Party took some credit in the last parliament was the development of a review board to assess foreign take-overs. We, in that minority parliament, were proud of our contribution to this policy; we thought that an industrial strategy would develop as a consequence—a strategy of making sure that if any further foreign industry were allowed into Canada the industry concerned would be serving a purpose of value to the Canadian people. Unfortunately, Mr. Speaker, the government, as has been the case so often in the past, took a very good idea and failed to follow through. The intention was to enable the Canadian public to have the benefit, whenever possible, of the gains which could be expected by allowing certain American companies to enter this country.

We might have used this system to make sure that U.S. companies coming to Canada did something for Canadians for a change, rather than for themselves. We might have made it possible for Canadian citizens to participate in the ownership of those companies. But what has happened? There have been no reports forthcoming as to the concessions Canada has made when allowing U.S. take-overs. My hon. friends have documented cases involving Dunlop, Firestone, White Industries, and a number of other companies to show that once again we have sold out the Canadian public for the sake of the introduction of U.S. capital into this country and the experience which may flow from it. But, Mr. Speaker, such industry is always used for the benefit of Americans; it seldom does much more than provide menial jobs at the lower end of the activity in Canada.

Today, Mr. Speaker, I heard a number of hon. members deploring the worsening in our relationship between industry and labour and consequent loss of production through work stoppages. Some of them referred to the number of days which had been lost as a result of strikes. They referred sadly to the fact that we may have lost 10 million man-hours in strikes last year.

An hon. Member: Eleven million man-hours.

Mr. Peters: I stand corrected. And because of this, certain members of the House would scrap the whole of our procedures in the field of labour relations, the whole of the grievance procedure, everything we have built up in this area over the years. I say to you, Mr. Speaker, that those who complained so bitterly about the loss of those man-hours were weeping crocodile tears. Nobody who has any brains in this House really believes that those 11 million lost hours matter a damn.

Let me draw attention to the fact that at the present time 7 per cent of our population is unemployed. In numerical terms this amounts to some 750,000, and some of them have been unemployed for years. Two thousand hours make up an industrial man year. If we multiply 2,000 man-hours by 750,000 we come up with a figure of 1,500 billion. That is the number of man-hours we have lost over a year because of unemployment. Those who weep crocodile tears over the 11 million man-hours lost through strikes forget about the other 1,489,000,000 which have been lost because of unemployment.

It is a sad thing for this country to find itself controlled by a government which has for years suffered from a C. D. Howe philosophy. His philosophy was to engineer a deal, engineer any deal which would cause a flow one way or the other—it didn't matter as long as there was a flow. But the flow has almost invariably been in the wrong direction. It is true we have expanded our steel industry, it is true we have increased the scale of our manufacturing. Which country in the world has not? Italy, which is almost bankrupt, has done so. And so has England. We sure as hell do not want to get into that group just because we want to put our achievements in a good light. Just think how much better off we could be, how much richer we could be, if we could use those 1,500 billion man-hours lost through unemployment, if we could find gainful occupations for these people.

We have heard talk about the fight that will take place between those who are paying taxes and those who are receiving the benefits of those taxes. I hear statements also that unemployment insurance is being abused. It is being abused. It is being abused by the government mainly. It is being abused by a large section of industry which is operated at 60 per cent capacity; it is also being abused by a very few people who are recipients of it. But I know that most of the people who are receiving unemployment benefits and who come to my office are anxious to get a job; if a job were available they would prefer to take it. But no job is made available.

Anyone who considers the regional transportation arrangements made in this country must wonder what has happened to national industrial strategy. We have continued to bring people to the cities rather than take jobs to the people.

Members on the other side have referred to trade missions. I have talked to many people who have travelled across the world representing Canada on trade missions and they are not proud of our trade representatives overeas. Our trade people do not know whom they should talk to in the various business fields. Our ambassadors are eunuchs when it comes to developing trade and assisting our representatives travelling abroad. Let us start using the good people that we have.

● (2150)

Tomorrow we are going to make one of the most stupid expenditures we have ever made, Mr. Speaker. We are

probably going to tell Lockheed in the United States that we will back the U.S. government if the U.S. government will back Lockheed in building us 18 Orion aircraft. Why do we want these aircraft? It is for military prestige. They are prestige aircraft. These aircraft are not worth a damn when it comes to saving sailors lost at sea or for supervising our 200 mile coastal limit. And let us not forget that we have the longest coastline in the world. What is more, Mr. Speaker, I am sure we do not have enough fuel to fly these aircraft at 500 or 600 miles an hour at 40,000 or 50,000 feet along our coastline. This operation can be done by satellite and it will not require the expenditure of any money.

We once had the potential in this country to build one of the best aircraft ever made. I have had some experience of the aircraft industry over a number of years, both in the air force and in aircraft factories, including those in Montreal and Toronto. It is my opinion that when we built the Arrow the mistake was not in the building of it; the mistake was made by the government of the day in that it did not blackmail all the other NATO countries, as they do us, into placing orders for the aircraft. We could not get any orders for the aircraft and so we could not make up our mind whether it should be a light bomber, a fighter aircraft, or what. As a result we built a kind of utility plane that required so much equipment to fly it that we could not fly it very far.

That plane was way ahead of its time and, in my opinion, the Arrow could still out-compete most of the aircraft in the world today. The trouble was that we did not have the ability to sell it. In other words, Mr. Speaker, we had no industrial strategy.

The government never made one sale of that aircraft. It built the damned plane but did not know what to do with it, so the right hon. member for Prince Albert (Mr. Diefenbaker), because he did not like the president of the company, cut it up with a torch. I do not think there is one left in Canada today to give an indication of our former potential and in the aeronautical field.

Certainly we do not need the Orion. With 18 Orion aircraft we are not going to save Europe. Neither are we going to supervise our 200 mile coastal limit. However, with the technology we have in Canada we can still build aircraft. We could build an aircraft along the lines of the Otter and the Lear jet that we are going to build for Mr. Lear. This would be a plane that would meet our requirements and leave us with some money to build ships and equipment to save sailors lost off our coasts, fishermen who are in dire need of protection and have not been getting it.

I am surprised that government members should only speak of what they have accomplished. In these days of austerity, which is more apparent outside than inside the House, I am sure the government is planning things it would like to accomplish if it had the wherewithal. I am equally sure the government is considering developing further our industrial potential. However, we cannot compete with a highly industrialized country like the United States. How in the hell do we think we will ever get into that market?

Mr. Railton: Really, what language.

Mr. Peters: I think there are some people in the Nipissing area who might understand that kind of language rather than the pussyfooting we have heard about in the House today from some government members.

Surely the government has some kind of program for developing a national industrial strategy. It should be able to tell us why it has not been able to make the Foreign Investment Review Act work. Some of the regulations under the act have not yet been passed, and I doubt whether some parts have even been proclaimed.

Mr. Blais: Of course it has been proclaimed.

Mr. Peters: There are other acts that the government has not yet got around to proclaiming. Whether I refer to this act or to other acts, they are not working. I should like to see them all in operation and being effective.

It seems that we are rich enough for the government to regard 7 per cent unemployment as normal. I suggest we should tell municipalities which say a lot of people on unemployment insurance should be made to work that if these people were not getting unemployment insurance this country would be bankrupt. I say that unemployment insurance is a Godsend and is a stabilizing factor for many municipalities in this country. At a time when we see ourselves going back to long skirts and playing music like the Charleston of the 1920's, I am sure Liberal and Conservative members must think it is difficult to develop a national industrial strategy that will transform us, from being hewers of wood and drawers of water, into an industrial nation.

Mr. Andras: The word is "hewers".

Mr. Peters: Well, Mr. Speaker, if I have left out a line I am sure the *Hansard* reporter will put it in.

It seems that over the next two or three years things are not going to get any better. Unemployment will continue to be a major problem, and it looks as though the government is sitting back and waiting for the next war. The Liberals and Conservatives know that this would end unemployment, as it did before. It will start up the factories, as it did before. But we of the New Democratic Party say we must have a better industrial strategy than one that is geared for war. Rather it should be geared to peace. We should be working hard to provide jobs for all Canadians and we should quit pussyfooting around with United States industry, which we have allowed to control a large portion of our industry and energy resources. I say a national industrial strategy can be developed that would provide jobs for all Canadians, one that will bring along Canadians toward further progress in the twentieth century, as I am sure they want to be brought along.

Mr. Deputy Speaker: Order, please. It being ten o'clock p.m., it is my duty to inform the House that pursuant to section (11) of Standing Order 58 proceedings on the motion have expired.

Adjournment Debate

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

ENERGY—STUDY OF FUNDY TIDAL POWER—DATE OF COMMENCEMENT

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, on November 28, 1974, the then minister of energy, mines and resources, our present Minister of Finance (Mr. Macdonald), issued a joint statement with the premiers of New Brunswick and Nova Scotia announcing that a study program would be undertaken to review, update, and extend the Atlantic tidal power programming board's report released in October, 1969, entitled "Feasibility of Tidal Power Development in the Bay of Fundy".

● (2200)

Despite repeated requests from my colleagues and myself it was not until March of this year, 16 months later, that the initiation of this study was announced. On June 2 of last year the Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. Foster) told me, as recorded at page 6370 of *Hansard*, that federal and provincial officials would meet within a week to "allocate specific study work projects and arrange for their execution". Yet it was not until nine months later that the study was announced. The federal government has been dragging its heels on the matter of Fundy tidal power.

When the announcement was made in the press release, the first phase of studies was announced and they were very accurately identified. On page 4 of the news release, in the first paragraph we find the following:

> Other aspects of the first phase studies include consideration of socio-economic and environmental aspects which will be carried out concurrently with the foregoing major task studies. These aspects are now in the process of being defined and it is anticipated study contracts will be arranged shortly.

That was two months ago today.

As a result of this shortsightedness by the government, we in the Atlantic region find ourselves facing staggering energy costs. It is not my intention to repeat earlier speeches I have made pointing out the advantages Fundy power would have energywise and industrially, not just for the Atlantic region but for the entire country.

It is also my hope that the gravity of the situation is well understood by the government following the recent debate on energy in the Atlantic provinces. The hon. member for Don Valley (Mr. Gillies) summed up my feelings so ably that day by stating that Canada does not prosper unless all of Canada prospers.

Maritimers cannot help but note the contrast between the alacrity with which the federal government has leaped into an investment of $300 million, or more, in the Syncrude project in Alberta and the indifference it displays to tidal power development possibilities of the Bay of Fundy. The two situations have much in common. In a world increasingly conscious of an impending energy shortage, both represent the possible development of very large quantities of energy now lying dormant. The difference is that the Alberta tar sands, vast though their extent may be, contain a fossil fuel as their active ingredient. Like conventional oil wells or coal deposits, they are subject to depletion and eventual exhaustion. The Fundy tides, on the contrary, represent a permanent source of energy which, barring a global catastrophe, are as likely to be as productive a million years from now as they could be today.

There are other differences, of course. Fundy is located in a region of Canada to which Ottawa's traditional attitude is one of indifference. We are not opposed to getting all the oil we can from the tar sands of Alberta. We have seen some ominous forecasts of serious energy shortages rushing upon the world. Canada is blessed with abundant energy sources of a number of kinds. We would be in default if we neglected to utilize any of them, whether tar of tides. We should get busy on both.

Had Fundy proceeded in the late 1960's it would be well under way by now. Costs rise every day as money loses purchasing power every day. The price of Fundy in 1969, far from being expensive, was cheap relative to the price of Fundy in 1976.

Ineptitude, wedded to confusion and knee-deep in indecision and procrastination, mark this program like so many others that are essential to the region and national purpose. There are people in the Department of Energy, Mines and Resources and DREE who are capable, willing, and who desire to get on with the assigned task. Surely it is time that the people who can and will do the job were allowed to get on with it.

Mr. Maurice Foster (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I wish to respond to the hon. member for York-Sunbury (Mr. Howie).

The joint federal-provincial feasibility study on the development of tidal power in the Bay of Fundy commenced during this past year. The study is being carried out under the direction of a federal-provincial management committee in accordance with an agreement between the Government of Canada and the governments of New Brunswick and Nova Scotia.

The management committee awarded contracts involving nine major engineering consulting firms in specific task areas relating to the design of tidal power plants, optimization of tidal power schemes, and the marketing and transmission of tidal power in accessible marketing areas.

In addition, arrangements have been made with the ocean and aquatic sciences branch of the federal Department of the Environment to acquire special data relative to the tidal phenomenon in the Bay of Fundy and to develop a mathematical model to analyse the effects that one or more major tidal power developments in the Bay of Fundy would have on the tidal regime.

Contractual arrangements are also being developed to carry out preliminary studies on socio-economic and environmental aspects of developing tidal power in the Bay of Fundy area.

It is expected that the phase I element of the current study will be completed in the early months of 1977.

I understand that the first stage will be completed early this summer and the second stage will then be carried out during the later half of 1976.

Since tidal power is primarily an energy-oriented matter it is appropriate that the federal responsibility for the current joint study program remain with the federal Department of Energy, Mines and Resources.

In regard to physical presence in the area, it is pointed out that both the provinces of New Brunswick and Nova Scotia are represented in all aspects of the study as well as the over-all review board by senior personnel from the New Brunswick Electric Power Commission and the Nova Scotia Power Corporation. Hence there is every opportunity for input of local knowledge and provincial considerations in respect to both electrical energy supply and industrial development considerations on this most important project.

AGRICULTURE—COW-CALF STABILIZATION PROGRAM—GOVERNMENT POSITION ON ALBERTA PROPOSAL—POSSIBLE DATE OF IMPLEMENTATION

Mr. Don Mazankowski (Vegreville): Mr. Speaker, the question with which I wish to deal arises out of one of the series of questions which I have posed to the Minister of Agriculture (Mr. Whelan) over the last six to eight months. This one was specifically put on January 30. The questions were put in an attempt to badger the minister into doing something for the very hard pressed cow-calf sector of the beef industry, to do something, I might add, which the minister had promised not only on his political haymaking excursions into western Canada but indeed here in the House of Commons and to the press.

The question I posed on January 30, as recorded at 10480 of *Hansard*, was as follows:

> Can the minister advise the House whether a federal-provincial cow-calf stabilization program is being developed and whether any progress has been made in efforts to shore-up this badly shaken industry?

The minister replied that he was still having discussions. He stated:

> A program will start on January 1, 1976 and terminate at the end of December, 1976, covering the calendar year for beef in Canada.

It is now the end of May, going into June. We have no beef stabilization program and it appears obvious that the cow-calf producers can expect absolutely nothing—zilch. Quite frankly, the period in which any aid or assistance could be given to them is pretty well passed inasmuch as the serious impact on the cow-calf industry was in the fall and in early winter.

The minister has viewed every conceivable ploy imaginable to blame for his failure to come through and fulfill his commitment. He has blamed the Canadian cattlemen, the stock growers, and the provinces, but he himself has not accepted any blame or responsibility. We know that the intervention by the federal government in bringing forth a beef policy which varied around 29 or 30 times over a period of 18 months had a lot to do and contributed immeasurably to the plight of beef producers, but particularly the cow-calf producer.

All we had in terms of support for the cow-calf industry were empty promises. The actions of the minister in this regard constitute a litany of broken promises.

We started with the Agricultural Stabilization Act, which we debated in this House about a year ago. It was given Royal Assent on July 31. It was heralded as a major advance in national farm policy. What did this do for the cow-calf industry? It did absolutely nothing, but there was much hot air from the minister's mouth. On September 19 an article by Armin Hecht in the Edmonton *Journal* read in part as follows:

● (2210)

> A federal cow-calf stabilization program will be announced in two weeks at the earliest, federal Agriculture Minister Eugene Whelan's office said Thursday.
>
> The plan will be similar to the federal government's stabilization plan for fat cattle.
>
> Officials in Mr. Whelan's department are working feverishly at the program, a spokesman in the minister's office said. Things are complicated because it will be the first time two separate plans will cover the same commodity.

This kind of fever only produced convulsions from the minister, as far as I am concerned. The article went on to say:

> Officials in Mr. Whelan's office said if there is anyone who can make a cow-calf subsidy program workable, it will be Mr. Whelan.
>
> The minister is fully aware of the depressed state of the industry and is concerned that the plan is not yet in operation, his office said.

His concern can only be categorized as much less than genuine.

On December 20, 1975, again quoting from the Edmonton *Journal*:

> Alberta Agriculture Minister Marvin Moore is optimistic that long bogged-down talks to create a cow-calf income stabilization program may soon result in success.
>
> After meeting with federal Agriculture Minister Eugene Whelan and his provincial counterparts, Mr. Moore said he expects an early decision by Ottawa on a proposal to salvage the badly shaken industry.

It went on to say:

> A cow-calf assistance program would be available very quickly—if it were up to federal Agriculture Minister Eugene Whelan.
>
> He is very happy with the Alberta proposal, provincial Agriculture Minister Marvin Moore said Friday.

It has been the same old litany of broken promises.

Then on January 29 a headline in the Edmonton *Journal* read, "Aid for cow-calf operators 'slim' ". The article stated in part:

> Chances that Ottawa will still come up with a cow-calf support program are pretty slim, a source in federal Agriculture Minister Eugene Whelan's office has indicated.

So there we have it. We can only gather from those statements in the press that if the minister ever had any clout in the cabinet he has lost it. It is obvious he cannot convince his cabinet colleagues to come forth and assist in shoring up a badly shaken industry, and I do not know why the minister has not come clean and told the producers of this country that he cannot do anything for them, rather than beating around the bush with this political garble. The minister is, and has been guilty of misleading the cow-calf producers of this country into believing that something was going to be done while he knew all along

that nothing could be done. He searched for excuses. His answers in the House have been evasive and flippant, almost to the point of being devious at some times.

In the end the minister has betrayed the cow-calf producers, and he should be and shall be reminded of this at every opportunity. He has not acted in good faith with the producers. He has failed to accept his rightful responsibility and obligation to the cow-calf producers, and from here on we will have suspicions about the minister's motives.

Some hon. Members: Hear, hear!

[*Translations*]

Mr. Irénée Pelletier (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, during the three years and a half I have been sitting in this House, I have seldom heard such nonsense.

[*English*]

Mr. Pelletier: The Agricultural Stabilization Act names cattle as one of the named commodities. Cattle, of course, was a named commodity in the original stablization act, and this was not changed in the amendments last year. As the House knows, the minimum mandatory support for named commodities under the amended act is 90 per cent of the average price of the last five years adjusted for changes in production costs in the current year as compared with the average production costs of the last five years. Ever since the original 1958 legislation "cattle" has been interpreted to mean slaughter cattle. We continue to consider that the named commodity, cattle, is represented by slaughter cattle. The same principle is applied to hogs and to sheep with the named commodity being market hogs and market lambs.

There has, of course, been considerable discussion about the desirability of having a stabilization program for the cow-calf sector of the beef industry. Some of the provinces have implemented such programs. As I have indicated on earlier occasions, we have also considered providing support for this sector as a designated commodity under the act. This is a complex issue because of the nature of the industry, the conflicting views of cow-calf producers as to the desirability of having a program, and due to the fact that some provinces now have individual programs.

[*Translation*]

Mr. Speaker, I wish to add a few words to the official answer of the department and respond to some of the hon. member's allegations which I think are absolutely inconceivable. The Progressive Conservative members are the first to say that if we want to carry out a national program, we must consult. When we do so and they do not agree, we must reach a consensus; it takes time and if we acted unilaterally, they would be the first ones to complain about it. The hon. member referred to a few articles in the Edmonton *Journal* in which the minister is quoted as saying he is ready to develop a cow-calf program. Of course, the minister is ready. Now, are the provinces ready as well? Alberta wants one thing. Quebec, British Columbia want something else, Ontario wants yet another thing. They must come to an agreement. If we are to develop a national program, all provinces must be in agreement.

Finally, Mr. Speaker, the answer is very simple. This program, after some discussion, is still at the experimental stage, there are some problems with a few provinces at present but as soon as they are solved, the government will carry out a national program that will satisfy all provinces.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow afternoon at 2 o'clock.

Motion agreed to and the House adjourned at 10.19 p.m.

HOUSE OF COMMONS

Tuesday, May 18, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*Translation*]

INDUSTRY

REQUEST IMPORT OF TEXTILES BE REGULATED TO PROTECT EMPLOYMENT—MOTION UNDER S.O. 43

Mr. André Fortin (Lotbinière): Mr. Speaker, pursuant to Standing Order 43, I ask for the unanimous consent of the House to present a motion on a matter of pressing and urgent necessity.

Considering the enormous decrease in the employment level in the textile industry in Canada and considering that this is one of the most important industries, in particular in the eastern part of the country because of the policy concerning textile imports which affect our own jobs, I move, seconded by the hon. member for Shefford (Mr. Rondeau):

That this House urge the Minister of Industry, Trade and Commerce to take position openly in favour of the Canadian people who are in the textile industry and to propose to the House a new set of regulations governing textile imports, the first objective being to protect jobs in Canada and have Canadians consume Canadian rather than foreign products, so that our own investments are protected by our legislation.

Mr. Speaker: Order, please. The House has heard the terms of the motion of the hon. member. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There being not unanimous consent, the motion cannot be put.

* * *

ENVIRONMENTAL AFFAIRS

REQUEST FOR STUDY TO FIND ALTERNATIVE METHOD OF DESTROYING SPRUCE BUDWORM—MOTION UNDER S.O. 43

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous consent of the House to introduce a motion dealing with an urgent matter of pressing necessity.

Considering the massive use of chemical insecticides in eastern Canada, especially in Quebec, to control the spruce budworm thus seriously threatening the ecological balance and giving rise to disastrous effects since the infestation of our forests by the budworm is increasing in spite of all the efforts made, I move, seconded by the hon. member for Abitibi (Mr. Laprise):

That the House discuss at once that problem and order that a thorough study be made and published on present conditions to take the necessary decisions to preserve the environment while controlling that evil by other means such as biological insecticides.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

[*English*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF UNITED STATES AMBASSADOR, MR. ENDERS, AND MR. TRAIN, ADMINISTRATOR OF ENVIRONMENTAL PROTECTION AGENCY

Hon. Jean Marchand (Minister of the Environment and Minister of Fisheries): Mr. Speaker, I should like to draw to the attention of members the presence in the gallery of the Honourable Russell E. Train, Administrator, Environmental Protection Agency and His Excellency Thomas Enders, Ambassador of the United States.

Some hon. Members: Hear, hear!

ORAL QUESTION PERIOD

[*English*]

NATIONAL DEFENCE

LOCKHEED CONTRACT—REASON FOR DELAY IN ANNOUNCING DETAILS OF FINANCING—POSSIBILITY GOVERNMENT WILL PROVIDE FINANCING

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister. Following yesterday's cabinet meeting the Minister of National Defence said on four occasions in the House that he would be making a statement today on the LRPA contract. Our understanding now is that no such statement will be made. I should like to find out just what profound reason has forced the minister to break that commitment. I should like the Prime Minister to tell the House whether he was directly a party to yesterday's decision and is the decision

taken yesterday, which the Minister of National Defence said he would announce today, now under review by the government?

● (1410)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, essentially, what happened is this: the financing of the purchase of the long-range patrol aircraft from Lockheed was planned with the banks acting as intermediaries. We heard over the weekend that the banks could not put this financing together and the government is presently looking at other methods of proceeding with its plan to participate in NATO and other general defence areas with the purchase of the long-range patrol aircraft.

Mr. Clark: Mr. Speaker, it is clear that the government has changed its mind yet again on this matter between yesterday and today. Can the Prime Minister say whether a decision was taken yesterday that the government itself would provide interim financing on this matter, and whether that decision taken yesterday, the announcement of which was promised today, is now again under review?

Mr. Fairweather: It is in escrow.

Mr. Trudeau: Mr. Speaker, on the matter of finding the necessary funds for purchasing this aircraft, it was decided by cabinet yesterday that the government would try alternative schemes to borrowing money from the banks. Such schemes have not been produced yet. We are still looking at the proposition.

Mr. Clark: Was the statement the Minister of National Defence promised to make today simply to be a statement that the government was looking at other means of interim financing, or—and I am sorry to repeat myself but we have not had an answer—had a decision been taken yesterday to the effect that the government itself would provide the interim financing on this matter? If that decision was taken, was the Prime Minister himself party to it and has there now been a change in that decision?

Mr. Trudeau: Mr. Speaker, the decision had been that the government would provide the interim financing in ways which had to be arrived at and put together. That has not been done yet.

Mr. Clark: So that we might put a stop to what is rapidly becoming a Marx Brothers comedy on the other side—

Some hon. Members: Hear, hear!

Mr. Clark: —can the Prime Minister tell us why the government was in a position to make a decision yesterday about an announcement, or why the minister said that a sufficient but firm decision had been taken that there would be an announcement today, and now there is not to be an announcement. What has changed overnight?

Mr. Trudeau: Mr. Speaker, the Leader of the Opposition should realize that to put together a package of a few hundred million dollars is not as easy as he assumes.

Mr. Baker (Grenville-Carleton): How about smiling Jim Richardson? Did he think it was easy?

Mr. Paproski: Where is he, back on the reservation?

[Mr. Clark.]

Some hon. Members: Hear, hear!

Mr. Trudeau: Mr. Speaker, either the opposition wants a serious discussion of this subject or they do not. If they do, I suggest they should listen; if they do not they will continue interrupting.

Mr. Baker (Grenville-Carleton): I cannot believe my ears.

Mr. Clark: Mr. Speaker, what changed overnight?

Mr. Trudeau: Mr. Speaker, as I was saying in my answer a few minutes ago, the government is determined to live up to its commitment to NATO and our other partners, and to proceed with the purchase of the long-range patrol aircraft.

Some hon. Members: Hear, hear!

Mr. Trudeau: Because of our restraint program, Mr. Speaker, the decision was made—

Mr. Baker (Grenville-Carleton): Here is the Defence Minister now.

Some hon. Members: Hear, hear!

Mr. Paproski: Are you still smiling, Jim?

Some hon. Members: Oh, oh!

Mr. Trudeau: Mr. Speaker, perhaps I should wait for a supplementary question.

LOCKHEED CONTRACT—REQUEST FOR TABLING ASSURANCE OF UNITED STATES GOVERNMENT OF VIABILITY OF COMPANY

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Prime Minister. Yesterday the Minister of National Defence repeated the commitment of the Prime Minister to table assurances by the United States government about the economic viability of Lockheed Corporation. Will the Prime Minister now table these assurances so that this House can make a careful assessment of how solid the ground is for whatever decision the government ultimately makes?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am sorry, I missed part of the question. If it concerns the purchase of the long-range patrol aircraft from the Lockheed aircraft company, let me say we told the House that when the deal is signed, sealed and delivered, the government would table the relevant documents in the House. I am trying to get the opposition to understand that it had become apparent over the weekend that the money which was supposed to be forthcoming from the Canadian banks will not be forthcoming.

An hon. Member: They are smart.

Mr. Trudeau: I understand that the hecklers on the other side are indicating we should not buy this long-range patrol aircraft.

Some hon. Members: Oh, oh!

Mr. Baker (Grenville-Carleton): You will not get away with that one.

Mr. Fairweather: I would rather be a heckler than a hyena.

Mr. Trudeau: In the case of some hon. members, they are both.

LOCKHEED CONTRACT—REASON BANKS WOULD NOT PARTICIPATE IN FINANCING

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, this question is for the Minister of National Defence. I would like to point out that this side of the House does not object to cabinet ministers looking foolish, either singly or collectively, but this has reached the stage where they are making the country look foolish.

Some hon. Members: Hear, hear!

Mr. McKinnon: Will the minister inform the House if the Canadian banks backed out because of the financial risks involved with Lockheed, or because they were uneasy about the government's apparent readiness to circumvent the Financial Administration Act?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, the negotiations were between the banks and the Lockheed Company. Therefore, it would be for either the banks or the Lockheed Company to explain why they backed out.

LOCKHEED CONTRACT—REASON SOME CABINET MEMBERS ALLEGEDLY AGAINST GOVERNMENT FINANCING

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, I wish to put this question to the Minister of Supply and Services. In answering, he might tell us if that contract has been signed, sealed and taken out of escrow because of the well-known objections of some of the cabinet against government financing of the Lockheed deal which are based on the fact that if Lockheed goes bankrupt at the worst possible time, just before completion of the 18 aircraft, it is true that the Canadian taxpayers will have paid some $375 million and have nothing to show for it.

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, this question is very hypothetical. It is obvious that if Lockheed were ever to go bankrupt we could consider various possibilities to make sure that the contract is completed. We must consider that Lockheed is not a small company, that Lockheed has some very important defence contracts with the U.S. government which would surely look after its own interests. In the eventuality of a contract from the Canadian government, we would see to it that we get the best guarantees from the U.S. government in order that our interests be protected. Having said this, we do not have for the moment any contract with Lockheed which would prevent us from putting an end to this project under its present form.

[*English*]

LOCKHEED CONTRACT—POSSIBILITY OF FINANCING WITH PUBLIC FUNDS—ALLEGED FAILURE OF UNITED STATES GOVERNMENT TO GIVE GUARANTEE

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I should like to address my question to the Prime Minister. If the banks, which are experienced financial institutions, find that this particular $1 billion deal is something they do not want to assist or take part in, why does the government not take this advice, or does the government propose to finance this particular deal out of public funds?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot interpret the feeling of the banks as has the hon. member. I was not at the negotiations with them. I understand the reason they do not want to finance this particular deal is that they do not feel they have the same type of guarantee from the Lockheed Company as the United States banks have from the Lockheed Company. The hon. member is free to draw from their refusal the inference he wishes. I cannot speak for them.

Mr. Brewin: Is it not also a fact that the United States government has failed to give the guarantees sought for in respect of this particular deal?

Mr. Trudeau: Mr. Speaker, in so far as the United States government is concerned, they have been very forthcoming and co-operative with the Canadian government. They, of course, have not been asked for any form of financial assistance. The guarantees they have given are of a different order. It is one of seriousness in their support of their intention to buy from Lockheed and to see that Canadians are treated just as well as they, the United States government, are treated should some failure occur in the Lockheed industry. Certainly, the United States government has given us every cause to proceed.

● (1420)

LOCKHEED CONTRACT—SUGGESTED CONSIDERATION OF ALTERNATIVE TO "ORION"

Mr. Andrew Brewin (Greenwood): In view of all these circumstances and the fact that the option to purchase these Orion aircraft has, I presume, expired, will the government, bearing in mind that the role of the Orion is one which is completely out of line with the defence policy announced by the government a few years ago, reopen the whole subject and consider whether refitting the Argus and perhaps purchasing Dash-7 aircraft at half the price of the Orion deal does not constitute an option which should be taken?

Right Hon. P. E. Trudeau (Prime Minister): The hon. member has put forward a possible course of action should we not proceed with the LRPA Lockheed deal. I am explaining to him that we are now in the process of trying to follow up yesterday's cabinet decision to see whether we can proceed with the Lockheed deal without the help of the banks. Using the hypothesis that we should not succeed, we should consider other alternatives such as those suggested by members of the House.

[*Translation*]

LOCKHEED CONTRACT—REQUEST FOR ASSURANCE CANADIAN BANK LOAN NOT USED TO PAY DEBTS IN UNITED STATES

Mr. André Fortin (Lotbinière): Mr. Speaker, may I direct a supplementary question to the Prime Minister.

Could the Prime Minister reassure the House that the money that could be advanced by a consortium of Canadian banks will not be used by Lockheed to reimburse debts to the American government, but rather for implementing the eventual contract that could be made between Canada and the United States? In other words, did Canada get a formal assurance that money that might be advanced eventually will be used only for the purposes of the contract and not for the reimbursement of debts?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, I can assure the hon. member on this point, since the money earmarked for this eventual contract would not come from Canadian banks.

LOCKHEED CONTRACT—AMOUNT OF BANK LOAN AND INTEREST RATE

Mr. André Fortin (Lotbinière): Mr. Speaker, I want to put another supplementary question. What is the amount of money and the interest rate considered?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I just explained to the hon. member that it is now excluded that the banks finance the undertaking; therefore, no amount of money or interest rate is under consideration.

* * *

[*English*]

LABOUR CONDITIONS

TRIPARTITE DISCUSSIONS ON ECONOMIC REFORM—ROLE OF LABOUR

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is to the Minister of Labour. Yesterday the minister told the House, and I quote—

> The CLC has been and I think will be in the future co-operating with the government and with the business representatives on the Canadian Labour Relations Council in reforming and changing some of the institutions which we have found not to be working too satisfactorily . . . I am referring to the free collective bargaining system.

Since Mr. Morris has referred to the CLRC as a "Mickey Mouse" institution, is it still the position of the minister that the CLRC will fulfil the reform of the economic order which the CLC envisages for labour, government and business interests?

Hon. John C. Munro (Minister of Labour): I do not believe the hon. member is quoting me correctly in the context within which the question was asked by the labour critic for the Conservative Party. That hon. member expressed concern about the emphasis on the change of institutions and I indicated that the CLRC, with which labour co-operated, was endeavouring to change the institution of free collective bargaining and that was the context in which the answer was given.

To answer the question in terms of my own views as to whether labour is going to participate in some tripartite fashion, perhaps it is too early yet to say whether it will be through the Canada Labour Relations Council, but the manifesto issued the day before yesterday clearly indicates that labour itself does wish to participate more fully with government in social and economic decision-making. We in the government have been encouraging such a position and we interpret that as a hopeful sign.

Mr. Muir: A supplementary question, Mr. Speaker. To press the matter a little further, the special committee of deputy ministers set up to advise the cabinet on post control policies reportedly wants to promote tripartite talks on economic efficiency and productivity. Can the minister advise the House what form these tripartite talks will take and the role to be played by both himself and his department, given Mr. Morris' predilection for the leaders of governments, especially this government and industry.

Mr. Munro (Hamilton East): Mr. Speaker, perhaps I could best indicate the form that the talks will take by repeating what has already been said in the House. It is our hope that the Prime Minister and certain members of the government will be meeting with the CLC some time in June; the precise date is yet to be determined. We will no doubt be discussing the recent manifesto and position with respect to post controls and other items that will be developed by the government prior to that time as matters for discussion. Other colleagues in the government are carrying on and will be carrying on discussions with the business community over the course of the next month or so.

PARTICIPATION OF LABOUR IN FINDING METHOD OF AVOIDING STRIKES

Mr. Robert Muir (Cape Breton-The Sydneys): A final supplementary question, Mr. Speaker. The anti-inflation white paper indicated that the CLRC had been established to improve labour-management relations, including the critical aspect of strikes in essential services. Will the minister advise what progress has been made in resolving the problem of strikes in essential services and how he intends to reach such a solution in conjunction with labour, since its withdrawal from the CLRC seems assured for at least three years?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, as I indicated yesterday in the House, the CLC has not resigned from the Canada Labour Relations Council. It has withdrawn. The president of the CLC himself has emphasized that distinction. If and when he feels it is appropriate, since his option is open by the CLC withdrawing rather than resigning, it will be up to him to rejoin. In the meantime certain things have been accomplished by this body. For example, there is the broader based bargaining concept which hopefully will reduce the incidence of strikes both in essential services and the private sector generally. This concept was endorsed and agreed upon both by labour and by management through the aegis of

the Canada Labour Relations Council at a time when labour was participating.

I would also indicate that we hope to have discussions of this nature on a broader basis in the context of the discussions that we are having in June with the Canadian Labour Congress. I imagine this question will be brought up along with other matters across the whole broad front of social and economic considerations.

* * *

HUMAN RIGHTS

DATE OF RATIFICATION OF UNITED NATIONS COVENANT

Hon. Robert Stanbury (York-Scarborough): Mr. Speaker, last week I asked the Secretary of State for External Affairs about Canadian ratification of the United Nations covenant on human rights which is now ten years old. He replied that he had sent a telegram to the last of the provinces requesting agreement to this ratification. I wonder whether he would now report on any answer to that telegram and confirm whether or not Canada can now finally ratify that covenant?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I am pleased to advise the House that consultations with all provinces have now been completed and that Canada's instruments of accession to the international covenant on economic, social and cultural rights, the international convention on civil and political rights and to the latter's optional protocol will be deposited with United Nations headquarters in New York tomorrow, Wednesday, May 19.

Some hon. Members: Hear, hear!

Mr. MacEachen: Mr. Speaker, may I just add that our becoming party to these extremely important international human rights instruments will enable us to play a still more active role internationally in the human rights field and will moreover strengthen our credibility in urging other states also to become parties and to implement their provisions.

* * *

● (1430)

CRIMINAL CODE

SUGGESTED REMOVAL OF PROVISION ABOLISHING CAPITAL PUNISHMENT FOR TREASON AND OTHER OFFENCES FROM BILL C-84

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Prime Minister. Everyone knows my view respecting capital punishment for murder. The bill that is before the House, on which we can get no answers while it is before us, provides not only for abolition of capital punishment for murder, but added thereto as well is abolition of capital punishment for high treason, for killing or attempting to kill Her Majesty, and other offences such as using force or violence for the purpose of overthrowing the government of Canada or of a province. In view of the security situation at the Olympics, which must be serious when the estimated expenditure by Canada is to be some $90 million, and this would indicate that security there is regarded as very insecure, will the Prime Minister consider removing these sections from the bill that is before the House, namely Bill C-84, because to remove the punishment for offences to which I have referred could not be but an inducement to the commission of lawlessness during the Olympics?

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I am passing this on most seriously as I know that many members are deeply concerned that those sections regarding treason and the violent offences should not be dealt with at this time, but the law should remain as it is now in that regard until December 31, 1977.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the number of various amendments which can be proposed when this matter reaches the committee would include the one suggested by the right hon. member. I put it to him that many abolitionists in general would be retentionists in particular, and this is the case with much of the correspondence I have received from people who do not like capital punishment but feel it should be kept in this or that case. In the case of the right hon. gentleman, he is concerned, and rightfully so, with the overthrow of the government of the nation, and he added, by unlawful means.

Some hon. Members: Oh, oh!

Mr. Trudeau: Other people are concerned with other forms of crime which, to use his words, would be induced by the abolition of capital punishment. Surely, that is the essence of the debate. On this side we have taken the position, in so far as this bill is a government bill to be voted on freely, that you are an abolitionist or you are not, and if you are an abolitionist you should not start making particular exceptions, because the list would grow indefinitely.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: In answer to the Prime Minister I would say this—

Some hon. Members: Oh, oh!

An hon. Member: Ten o'clock.

Some hon. Members: Question.

Mr. Diefenbaker: Mr. Speaker, such frivolity is scarcely in keeping with the seriousness of this subject.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I suggest this to the Prime Minister, Mr. Speaker. No matter what amendments take place in the committee, the bill that will be voted on on second reading is the one that is before the House and it includes these terms. I suggest that in order to make it possible for a clear vote that these particular sections be removed, particularly in view of the danger—

Some hon. Members: Order, order.

An hon. Member: Get to the question.

Mr. Speaker: Order, please. We are, after all, getting into representation as opposed to a question. If the right hon. gentleman has a supplementary question I would ask him to put it.

Mr. Diefenbaker: You have heard the preamble to my question.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I would ask the Prime Minister this. Speaking from conscience, will he not remove these particular sections to which I have made reference in connection with security so there can be a clear vote, with those of us who believe in doing away with the death sentence for murder being able to vote for the bill? As it is, with all the rest of provisions therein, that is almost impossible.

Mr. Trudeau: Mr. Speaker, in order to answer that question completely I would have to know whether the right hon. gentleman is speaking on behalf of his party.

Some hon. Members: No, no.

An hon. Member: It is a free vote.

Some hon. Members: Hear, hear!

Mr. Clark: It is a free vote on this side, Mr. Prime Minister.

An hon. Member: But we don't know about your side.

Some hon. Members: Hear, hear!

Mr. Fairweather: You better be careful; you need a few of us.

Mr. Trudeau: I do not need a few of you. Perhaps those people who might be hanged need a few of you.

Some hon. Members: Oh, oh!

An hon. Member: Yes, you do need a few of us.

Some hon. Members: Hear, hear!

An hon. Member: You will have to resign.

Mr. Trudeau: I repeat, Mr. Speaker, in order to answer—

Mr. Fairweather: You don't need us? Well, that is an announcement we will remember. Wait until second reading.

Mr. Trudeau: The hon. member for Fundy-Royal is grumbling a bit too loudly.

Mr. Fairweather: I am grumbling because it is a free vote, and you need every vote you can get.

Some hon. Members: Hear, hear!

An hon. Member: Have you lost touch?

Mr. Trudeau: I am surprised that the hon. member—

[Mr. Diefenbaker.]

An hon. Member: Warren can't talk to his boss. He hasn't got his leather jacket on.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. In view of the comments on both sides of the House it is impossible to hear the right hon. Prime Minister.

An hon. Member: You are not missing a whole lot.

Mr. Trudeau: Mr. Speaker, I am surprised that the hon. member for Fundy-Royal is going on a personal question rather than on the question of the issue as I think the issue is much more important. As to the question of the right hon. gentleman, I repeat that it would be interesting to know if he is making representations on behalf of his party—

An hon. Member: Oh, get off it.

Mr. Trudeau: —or is he speaking on behalf of a group of members of the other side who might be either abolitionists or retentionists according to whether or not we accept the suggestion. My question to him is a serious one, because the government—

An hon. Member: You are not asking questions.

Mr. Trudeau: —the government's position is that it wants to see this bill voted on freely and passed, and we obviously cannot begin to make exceptions to it.

An hon. Member: No exceptions.

Mr. Trudeau: Now the right hon. gentleman says "no exceptions". He has just been asking for an exception in his question.

Some hon. Members: Hear, hear!

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ANTI-INFLATION BOARD

GUIDELINES FOR DEALING WITH MEMBERS' COMPLAINTS ABOUT PRICES

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, my question is for the Minister of Finance and concerns the report released today that the Anti-Inflation Board is inviting consumer complaints and placing a form in supermarkets and financial institutions for this purpose. Considering the record of the AIB in respect of letters from members of parliament which are not being replied to when we bring price complaints to the attention of the board, and that the best we receive is a phone call saying everything has been looked after without our really knowing what has happened, may I ask the Minister of Finance what guidelines have been laid down by the AIB regarding members' complaints about price increases? If the AIB does not have such guidelines, does the minister have some? What action will the minister take to assure the House that today's announcement is a serious attempt on the part of the AIB to deal with prices and listen to complaints rather than just being another public relations job?

● (1440)

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the guidelines with regard to price increases of course have been set out at length before parliament and are incorporated in the regulations. They will depend directly upon the nature of the business dealings carried on by the firm. But in general with regard to the distribution business, they are related to the gross profit margin of those businesses. With regard to the hon. gentleman's complaint that his letter has not produced a letter, I wish to reflect on that. It seems to me the more important occupation for the Anti-Inflation Board should be in scrutinizing the price questions the hon. gentleman has raised rather than engaging in correspondence.

Mr. Saltsman: Mr. Speaker, I sort of anticipated that the minister might be assisting the AIB in its public relations job. I am not interested in the AIB sending out letters or making phone calls. The information I am interested in getting from the minister is whether the Anti-Inflation Board will follow through in some serious way with the complaints that are laid before it or whether it will get some lady or young man on the telephone with a nice voice saying: "Don't worry about it; everything is under control; you can trust us". That is all we have been getting up until now. In asking my question the purpose is not to increase the correspondence between the AIB and members of parliament but to get some documentary evidence of good faith on the part of the AIB that it is following through with suggestions placed before it and is handling them.

Mr. Macdonald (Rosedale): Mr. Speaker, I am confident that the board is following through, particularly with regard to particular patterns of price increases which indicate a practice in this regard. Indeed, there have been a great many investigations of this kind.

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PENITENTIARIES

REQUEST FOR ASSURANCE NEW BRUNSWICK NOT A HAVEN FOR INMATES WHO TAKE HOSTAGES

Mr. Mike Landers (Saint John-Lancaster): Mr. Speaker, my question is for the Solicitor General. In view of what occurred at Laval Penitentiary after recent negotiations would the Solicitor General care to clarify a statement he made on February 23, 1976 in this House when he gave his assurance that the province of New Brunswick would not become a haven for those individuals who tend to hide behind hostages?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I will repeat that commitment. As I said in answer to a later question, from time to time the penitentiary service breaks up cliques and gangs in a penitentiary and distributes them to other penitentiaries around the country but always at the same security classification; in other words, maximum security inmates go to maximum security penitentiaries. This will have to be done and will continue to be done in the future.

LABOUR CONDITIONS

THREATENED STRIKE OF COAL MINERS—GOVERNMENT ACTION TO AVOID

Mr. Bob Brisco (Kootenay West): Mr. Speaker, my question is for the Minister of Labour. In view of the imminent shutdown of the entire coal industry in British Columbia and Alberta, and in view of the fact that their contract calls for only 4 per cent over the AIB guidelines, will the minister seek an early meeting with the management of the coal industry, the AIB and representatives of the United Steel Workers, ACTE, and the United Mines Workers in order to prevent this imminent shutdown of the industry in those provinces.

Hon. John C. Munro (Minister of Labour): Mr. Speaker, if that is a representation on the part of the hon. member, certainly if the employers or the unions in question want to approach the Department of Labour or myself so that we might become familiar with their concerns and make any useful suggestions, we have been and will be very ready to do so particularly in the instance to which the hon. member is referring.

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ANTI-INFLATION PROGRAM

ALLEGATION COMINCO HIDING BEHIND GUIDELINES DURING NEGOTIATIONS—REQUEST FOR REPORT

Mr. Bob Brisco (Kootenay West): Mr. Speaker, I thank the Minister of Labour for that responsible answer. Now, I shall turn to the Minister of Finance. I wonder whether he will come up with a similarly responsible answer. In view of the small percentage of 4 per cent over the AIB guidelines and in view of the fact that COMINCO will not negotiate for any amount over the AIB guidelines, will the minister examine the charge of labour that COMINCO in fact is hiding behind the guidelines and report his conclusions to the Anti-Inflation Board, to labour and to management as well as the Minister of Labour.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, Parliament has created the Anti-Inflation Board for the purpose of exercising scrutiny in particular cases and for carrying out the regulations that are provided which incorporate the guidelines. It seems to be a course of common sense for both management and labour everywhere in the country to obey the guidelines which have been set down by law. In particular, it is the role set out for the Anti-Inflation Board to apply those guidelines. Under the circumstances, the notion that I might examine and dictate a course of action to the AIB would seem clearly to be contrary to what Parliament has decreed the board should do.

Oral Questions

AIR TRANSPORT

REQUEST FOR ENLARGEMENT OF TERMS OF REFERENCE OF INQUIRY INTO SAFETY OF USE OF BILINGUAL AIR TRAFFIC CONTROLLERS

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my questions are directed to the Minister of Transport. They are related to the air traffic control inquiry and against the background of a possible strike this week of the air traffic controllers. In view of the minister's announcement on May 12 to the effect that the Public Commissioner would be asked to inquire into "the safety implications of the introduction of bilingualism into air traffic control under IFR conditions in the Province of Quebec", and the apparent contradiction to that in his statement of the same date and in view of the reply given by his colleague the President of the Treasury Board yesterday to a question on this matter in which he said,

> ... as far as the terms of reference are concerned if there is something to change, we would be prepared to do so.

My question for the minister is, is the minister prepared to consider enlarging the terms of reference of the commissioner so as to include all aspects of the matter as recommended by the conciliation board and thereby place safety as the prime consideration for the inquiry?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the apparent contradiction to which the hon. member refers really is related to the fact that so far as I was concerned all aspects of safety which were in any way at issue were in fact before the commissioner. If there is a real desire to have those words broadened to make sure that all aspects of safety are before him, I am certainly willing to consider that. I say that I considered all aspects at issue were before him because there really has been no controversy or issue over the extension of VFR bilingual controls at five airports. It was clear from my statement that any possibility of VFR extension to such airports as Dorval and Mirabel required the first establishment of satisfactory procedures with regard to IFR. Therefore, I thought the thing was clearly covered. But I am certainly prepared to consider extensions if that is required.

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, one of my supplementaries concerns the statement to the effect that the commissioner was to inquire into the implications of the procedures and methods being developed by Transport Canada and the Canadian aviation community. Part of the aviation community does not seem to be in agreement with the minister at the present time. I am wondering what part of the Canadian aviation community is developing these methods.

Mr. Lang: Mr. Speaker, the statement went on in rather more detail to list them including the Canadian Owners and Pilots Association, the Canadian Transportation Association and a couple of others and indicating in addition that CALPA and CATCA had both indicated that they were prepared to co-operate with the simulation exercises and therefore I consider we have the sensible co-operation of the whole of the aviation community in connection with the exercise.

[Mr. Macdonald (Rosedale).]

EXTERNAL AFFAIRS

POSSIBLE CHANGES IN ICNAF REGULATIONS—CONSULTATION WITH UNITED STATES—DECLARATION OF 200-MILE ZONE

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Article 16 of ICNAF states that at any time after the expiration of ten years from the date of entry into force of this convention any contracting government may withdraw from the convention on December 31 of any year by giving notice on or before the preceding June 30 to the depository government which shall communicate copies of such nature to the other contracting governments. Since ICNAF will be meeting in Havana, Cuba, June 6 to June 24 and the United States will have a 200-mile limit by March 1, 1977, is it the minister's intention to soon meet with U.S. delegates to see whether a common front can be established concerning how ICNAF may be changed?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I think the question is very relevant. I did have a discussion with Dr. Kissinger on the common position we might adopt at ICNAF, and the necessity of relating very closely, in the course of that meeting.

● (1450)

Since my meeting with Dr. Kissinger I understand that there have been further recent meetings between Canada and United States officials on the broad question of fisheries. That collaboration will continue with respect to the meeting of ICNAF at Havana, and I believe that before that meeting opens it will be possible to state more explicitly the positions the Canadian delegation will take at the meeting. I believe a statement to that effect will be made in the House of Commons.

Mr. Crouse: Is it the intention of the government to set the over-all quotas in its 200 mile zone, allot the required amount for Canadian fishermen and have ICNAF allot to the foreign nations the remainder of the quota which is surplus to Canada's needs? If so, when can we expect Canada to declare its authority over its own management zones?

Mr. MacEachen: The first part of the question obviously is a matter which will have to be discussed and upon which detailed instructions must be given to the delegation at the meeting. Before the meeting takes place, as I indicated, information along those lines will be given to the House.

With respect to the second question, I have nothing further to add to the statement I already made, that this year is the year of decision for Canada with respect to extended jurisdiction.

[*Translation*]

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR REPORT ON INQUIRY INTO ALLEGED POLICE RAID ON QUEBEC LIBERAL PARTY OFFICE

Mr. Serge Joyal (Maisonneuve-Rosemont): Mr. Speaker, my question is for the Solicitor General.

Considering that following the revelations made by former RCMP officer Samson last March concerning the raid on APLQ premises in Quebec, the Solicitor General had committed himself on April 2 to report to the House the findings of an inquiry he proposed to order, and considering that he has had the opportunity to meet with the Quebec Solicitor General to determine the parts played by the Quebec Police Force and the Montreal police in the affair, can the Solicitor General tell the House whether in fact such an inquiry was ordered, who took the initiative of organizing the raid on the APLQ offices and what was the role of the RCMP in all that?

[*English*]

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the RCMP did give me a full report with respect to their role in this particular raid, but following my meeting with the solicitor general for Quebec, Mr. Lalonde, he, in his role as the minister in charge of law enforcement in Quebec, asked if he could not deal directly with the RCMP to determine whether something illegal had taken place and whether further action should be taken. As a result, I have asked the RCMP to co-operate fully with the law enforcement officers and the minister in Quebec, and Mr. Lalonde in Quebec will be taking action following the completion of his investigation.

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SUPPLY AND SERVICES

REASON FOR USE OF PACIFIC RIM MANAGEMENT TO HIRE WORKERS FOR ALASKA HIGHWAY—GOVERNMENT POSITION

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, my question is for the Minister of Supply and Services. The minister is aware that a contract was awarded to a company by the name of Pacific Rim Management of Vancouver for $602,000 by the Department of Supply and Services to hire Yukon residents for work on the Alaska Highway. In view of the fact that this company has since made arrangements with the Canada Manpower Centre in Whitehorse to do its hiring, will the minister say why this was done by Canada Manpower, since the private firm was contracted to perform these duties and thus has violated its contract?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, first of all, I wish to thank the hon. member for having given me notice of his question. In fact, through this contract this company will supply the government with survey crews for the proposed construction of highways in Alaska. The company has also been asked to go through Manpower Centre to recruit and select the best candidates available, who will be chosen in the area where the work will be performed.

[*English*]

PUBLIC WORKS

REASON FOR USE OF PACIFIC RIM MANAGEMENT TO HIRE WORKERS FOR ALASKA HIGHWAY—GOVERNMENT POSITION

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, my supplementary question is for the Minister of Public Works, and I would like him to respond. In view of the fact that this contract was awarded to a Vancouver firm which did not even have an office in the Yukon, will the minister say why this was done, why an outside firm had to be contracted when Canada Manpower apparently had the resources and the experience to do the hiring?

In addition, perhaps the minister would be good enough to tell us whether, in the words of one of his officials, it was a way in which the Department of Public Works could get around the government freeze on hiring, and if this is the case, will the minister say what he intends to do about it?

Hon. C. M. Drury (Minister of Public Works): Mr. Speaker, I would be glad to have the name of the individual—

Some hon. Members: Oh, oh!

Mr. Paproski: A former Grit.

Mr. Drury: —who has been misinforming the hon. member. That was not the purpose nor the intention. I think the hon. member will be as well aware as I am of the shortages of surveyors and quantity surveyors in the Yukon, and it is necessary for the accomplishment of this work to go outside the Yukon. In the past, the Department of Public Works endeavoured to do this recruiting, assisted by the Department of Manpower and Immigration, and we have come to the conclusion that contracts can be more efficiently and more economically arranged by this agency than by the staff which would have to be taken on by the Department of Public Works.

Mr. Bawden: I would like to ask the minister what capabilities this particular firm and these private firms have that the Department of Manpower and Immigration does not have.

Mr. Drury: I think probably there is an expertise in this particular field—

An hon. Member: They have never done it before.

Mr. Drury: —which is perhaps beyond the generalized qualities of the Department of Manpower and Immigration. As the hon. member knows, the Department of Manpower and Immigration tends to be a responsive rather than a recruiting agency in itself.

* * *

[*Translation*]

OLYMPIC GAMES

REQUEST THAT SECURITY MEASURES BE TAKEN

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to ask the Solicitor General if he is acquainted with the

Jack Henderson Report recently published in the Washington *Post* and if he can assure hon. members and the Canadian people that every possible step will be taken to ensure the security of all those who want to attend the 1976 Montreal Olympic Games, so as to avoid the damages incurred in similar circumstances in the past, which some people fear in certain quarters?

[*English*]

Hon. Warren Allmand (Solicitor General): Mr. Speaker, we have no evidence to support or to justify the allegations made by Mr. Anderson in the Washington *Post*. On the other hand, the RCMP and all the other security agencies are taking every measure of precaution against any type of terrorism which might take place at the Olympics.

[*Translation*]

Mr. Laprise: Mr. Speaker, I have a supplementary for the Solicitor General. Are the Royal Canadian Mounted Police taking steps to make sure that no weapons enter Canada from abroad before the games are held or even after?

[*English*]

Mr. Allmand: That does not appear to be necessary at the present time. As I said, every precaution is being taken by the four agencies—the RCMP, the Quebec Provincial Police, the Montreal police and the armed forces—to provide a strong security team, and we are gathering intelligence on any threat, but so far there is no threat as described by Mr. Anderson in the Washington *Post*.

* * *

VETERANS AFFAIRS

CANADIAN PARTICIPATION IN D-DAY CEREMONIES IN FRANCE

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is to the Minister of Veterans Affairs. Would the minister advise if Canada will be participating in D-Day anniversary ceremonies in France on June 6, and if not, why not?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, the landing committee is now studying the situation for June 6, and my information is that Canada will be represented by our ambassador in France.

Mr. Marshall: In view of the fact that this is the golden anniversary of the Canadian Legion, I wonder if the Minister could indicate if any veterans organizations or legion organizations have approached the minister about a visit to commemorate the thirty second anniversary of D-Day; and, in view of the shortage of time, would he ensure that the ambassador is contacted to make sure that this day is recognized by Canadians and those in Europe for Canadians?

Mr. MacDonald (Cardigan): I understand it will be recognized by Canadians in Europe and also people who have a desire to go.

I would like to add that the main ceremony will be held in the American sector this year, and that is one of the reasons Canada is not playing a leading role. With regard to veterans organizations or legion commands across the country, if they desire to send representations to this very important function, they can very well do so.

• (1500)

Mr. Allmand: Mr. Speaker, on May 13 the hon. member for Grenville-Carleton and the hon. member for Yukon alleged that I had improperly made certain changes in the *Hansard* "blues". That is not correct, and in accordance with your request I should like to provide information for the House. The hon. member for Grenville-Carleton referred to my answer to him on May 12 at page 13440, where I said:

> The reason for the warrant was not because we wanted to find out the contents of the letter—obviously we had copies of it—but to get the exact copy that was sent to the Toronto *Sun* so that we could get evidence as to where it was produced, how it was produced and who might have sent it.

The hon. member alleged that I had said "whether" it had been produced, rather than "where" it had been produced, and that I had changed the "blues" from "whether" to "where". I should like to tell you, Mr. Speaker, and the House that it is true I changed the "blues" from "whether" to "where" because I had in fact said "where". In the context, "whether" would not have made any sense. We knew that the letter had been reproduced but we did not know where it had been reproduced. So I did change *Hansard*, but I changed it to say what I had in fact said in the House.

Some hon. Members: Hear, hear!

Mr. Allmand: On the other point, Mr. Speaker, hon. members said that I had changed my answer on page 13441 where I said "that the letter might have been destroyed". They said this had been changed to "had", and then back again to "might have". Again, Mr. Speaker, when I got the "blues" on that day, someone had written in—I do not know whether it was done in the *Hansard* office or not—the word "had" over the typewritten words "might have", and since I had said "might have" I changed it back to the original text. Again, I made the final version of *Hansard* correspond with what in fact had been said.

Finally, Mr. Speaker, I should also like to correct something I said yesterday in answer to the hon. member for Central Nova. He had asked me about a report from the RCMP with respect to the SIU investigation. I said that there had been no final report or interim report. I was incorrect in that. There had been an interim report, but it had not said much more than I said in the House, that is, that this would be a long investigation and there was much more work to be done. But there had been an interim report which said more or less that.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): Mr. Speaker, I want to thank the Solicitor General for making a statement outlining the historical aspects of this matter. We are grateful for it, and I want him to know we accept it.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I should add only that, as I indicated to the House the point was first raised, I would seek—and I have now received—a report from the editor of

Hansard. That report conforms in every way with the description of the events that has just been given by the Solicitor General. The fact is that editorial changes were suggested by the editor in respect of the language that was used in attempting to make it conform with what was the impression of the editor. Those copies were returned to the House, and therefore the initial change in respect of the words "might have been" as opposed to "had" were made in the editorial office. It is true that the Solicitor General changed those words back to the language he had used in the House. The same thing seems to apply to the second change that was made, and indeed that does appear to conform in every respect to the description that has been given by the Solicitor General.

It would not appear, therefore, that any point of order arises in respect of this matter.

ROUTINE PROCEEDINGS

[*Translation*]

MISCELLANEOUS ESTIMATES

Eleventh report of Standing Committee on Miscellaneous Estimates in both official languages (Mr. Langlois).

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

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[*English*]

ELECTIONS

TABLING OF ORDER IN COUNCIL COVERING BY-ELECTION IN OTTAWA-CARLETON

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in accordance with Standing Order 41(2), I am tabling copies, in both official languages, of order in council No. 1976-1146 ordering the issuance of a writ for a by-election in the electoral district of Ottawa-Carleton on October 18, 1976.

* * *

ADMINISTRATION OF JUSTICE

TABLING OF MISCELLANEOUS STATUTE LAW AMENDMENT BILL, 1976

Hon. Ron Basford (Minister of Justice): Mr. Speaker, pursuant to Standing Order 41(2) I wish to table, in both official languages, the miscellaneous statute law amendment bill, 1976, otherwise known as the housekeeping bill.

Nuclear Relations with India

ENERGY

STATEMENT ON NUCLEAR CO-OPERATION WITH INDIA

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I should like to inform the House that the government has decided that further nuclear co-operation with India is not possible.

Some hon. Members: Hear, hear!

Mr. MacEachen: The decision has been difficult. It has challenged the government, as indeed it has challenged all thinking Canadians, to review a number of fundamental principles.

Canada's nuclear co-operation with India began in the context of the Colombo Plan. It has, as its basis, the belief that nuclear power could be vital to the equitable economic growth of a number of developing countries. The energy crisis and the serious dislocations it has brought with it have tended to reinforce this belief, and the genuine success achieved by Indo-Canadian co-operation in the development of nuclear power for energy, agriculture and medicine has proved the practicality of this approach.

India's detonation of a nuclear explosive device in 1974 made it evident that Canada and India have taken profoundly differing views of what should be encompassed in the peaceful application of nuclear energy by non-nuclear weapons states. Canada is one of the earliest and most vigorous proponents of the nuclear non-proliferation treaty. A basic element of the treaty, which guides Canadian policy in the field of nuclear exports and safeguards, is that it recognizes no technical distinction between nuclear explosives for peaceful and non-peaceful purposes.

Canada has forgone the possible benefits of developing so-called peaceful nuclear explosions on the basis that, pursuant to the NPT, nuclear explosive services would be available from a nuclear weapons state at such time as need and feasibility are demonstrated. India, however, does not accept what it views as discrimination between the nuclear powers and other states and insists that all countries should be free to use all phases of nuclear technology for whatever they view as peaceful purposes.

Notwithstanding these differences, both countries agreed to explore together a negotiated termination of nuclear co-operation. These negotiations had, earlier this spring, reached a point where both sides decided that governmental decisions were required. The decision now taken by cabinet takes into full account the issues that I raised when I spoke in the House on March 23. Canada has insisted that any co-operation in the nuclear field be fully covered by safeguards which satisfy the Canadian people that Canadian assistance will not be diverted to nuclear explosive purposes. This Canadian objective could not be achieved in these negotiations.

Both sides have made a concerted effort in good faith to reach a basis for agreement. However, the Canadian government has decided that it could agree to make new nuclear shipments only on an undertaking by India that Canadian supplies, whether of technology, nuclear equipment or materials, whether past or future, shall not be used for the manufacture of any nuclear explosive device. In the present case, this undertaking would require that all

nuclear facilities, involving Canadian technology, in India be safeguarded. We would be prepared to reach agreement with India on this basis only. In view of earlier discussions, however, we have concluded that the Indian government would not be prepared to accept safeguards on other than the RAPP reactors, which are already under international safeguards.

● (1510)

In making this statement regarding our nuclear co-operation with India, I should like also to refer briefly to the other aspects of our relationship. There is no question that our nuclear differences are profound; nevertheless, nuclear affairs form only one part of what has been a broad and important relationship. The decisions reached by the government relating to one aspect of our relations are not intended to preclude the pursuit of other elements of mutual interest in our over-all links with India. The Canadian government remains prepared to review these elements and to pursue our common objectives in both bilateral and multilateral fields because we feel that our ties with this important developing Commonwealth nation must not be allowed to lapse through any lack of will on our part.

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, the minister's statement today is one small step toward a world policy of nuclear sanity, and for this reason we welcome it. Our party, and indeed many Canadians from all walks of life, believe that a moratorium on the export of nuclear technology is imperative until such time as world conditions are more stabilized and countries are willing to accept the authority of a transnational institution with the power to protect the global environment. The Canadian government has by no means implemented such a policy today. But we must hope that the cancellation of the nuclear agreement with India will lead to a reassessment of our current and prospective agreements with other nuclear purchasers.

We need to know precisely why the negotiations with India were terminated and we call on the government to table the relative papers. Without them we cannot judge the real reason for the breakdown. On March 23 the minister posed the dilemma that Canada faced in these terms:

> Would it be better for us to suspend completely the nuclear negotiations with India, or should we go on to complete current negotiations, applying to the prospective deal the strictest sanctions possible—

We believed then, and we believe now, that the moral dilemma was falsely posed by the government. For as General E. L. M. Burns, the respected head of Canadian disarmament teams has said so often, it is the Canadian government's duty to do nothing which may lead to the proliferation of nuclear weapons, and that this obligation—which is explicit in article III of the non-proliferation treaty—takes precedence over Canada's desire to assist, through nuclear technologies, the underdeveloped nations of the world.

I think that the many members who have initiated debate from this side of the House can take some credit for this decision. In particular, this House owes a debt of gratitude to the hon. member for Halifax (Mr. Stanfield) who has for the last two years pressed home this matter in parliamentary debate and in the question period. No one should be under the illusion that this decision has been achieved without much effort both on the part of members of this House and individuals outside it. Yet while we applaud this first step we must realize that it is only that. This decision does not, in itself, form a moral policy with regard to nuclear sales. We still have far to go before our policy measures up to current United States legislation in this area.

[Mr. MacEachen.]

Mr. Gillies: And British legislation.

Mr. Wagner: Parliament still has no control over sales, as does the U.S. Congress. Parliament is not even consulted; it is merely informed. Unlike Congress, which has had the opportunity to mould the formation of U.S. policy on safeguards, parliament has been pushed aside. As William Epstein, a Canadian who formerly served as chief of the United Nations secretariat on disarmament, said:

> Canada, as is its practice, held no public inquiry or committee investigation into the problem. It heard no experts other than its own government employees with no opportunity for them to be heard in public. The debate in parliament was all too short and of insufficient depth for such a serious and complicated matter.

I might add that debate was called by the opposition making use of the scarce resources of parliamentary time available to it. I can only quote the leading saint in the Liberal pantheon, Mackenzie King, who nearly 50 years ago—

Mr. MacEachen: You were in that pantheon.

Mr. Wagner: And I quickly got out of it. Mackenzie King said, nearly 50 years ago:

> Parliamentary approval should apply where there are involved political considerations of a far-reaching character.

Those words are in *Hansard* for April 12, 1928. What could be more far-reaching than nuclear proliferation, a horror undreamed of at that time?

We must also recognize that although this decision will, hopefully, have very far-reaching moral implications, it will have little impact on India's nuclear program. I understand that the RAPP II station is 85 per cent complete and that the Indian department of atomic energy will be able to finish it, albeit behind schedule. India is now completely self-sufficient in nuclear power; therefore, we are a decade too late to change that.

I should like to close with a few questions for the hon. gentleman. Will he now release the agreement initialled by Mr. Head in India? How will this decision affect the rest of our nuclear exports program? Finally, what was the precise point of difference between India and Canada which could not be resolved?

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my party also welcomes the government's decision. We think it is a fairly small step in the direction of nuclear sanity, to use some of the words of the hon. member for Saint-Hyacinthe (Mr. Wagner). I suppose one can say that there is more joy in heaven if but one sinner repents.

Mr. Baker (Grenville-Carleton): Ask Mackenzie King.

Mr. Leggatt: There may yet be hope. The decision is a small step in the direction of a sane over-all nuclear policy.

The decision, as the minister said in his statement, has challenged all thinking Canadians to review a number of fundamental principles. Yet we are concerned since other fundamental principles have not been reviewed; they have been given only cursory consideration. The present decision relates to only one arrangement with India. That is not enough to give the Canadian people any confidence in a nuclear policy which does not lend itself to an appalling proliferation.

● (1520)

We have had two years to examine the problems of India. However, within that time we have also had the opportunity to agonize over South Korea, Argentina, Pakistan and Taiwan. What this decision really shows is the impossibility of preventing diversion, short of some absolute control process, short of an international agreement in which there is a minor degree of the surrender of sovereignty so that an international agency has the power to enforce an international agreement. Anything short of that does not give reassurance to the nations of the world.

Some hon. Members: Hear, hear!

Mr. Leggatt: Canada has an opportunity to provide moral leadership on this subject. It should be the first nation to go to the United Nations and make that kind of an offer in order to try and snowball other nations to move in the direction of internationalism. There would then be some confidence that the awesome risk of terrorism or unstable governments having control of the nuclear trigger would be reduced or eliminated.

As the hon. member for Saint-Hyacinthe said, the moral dilemma that the Prime Minister (Mr. Trudeau) posed is phony and false. I want to add some support to that. The United States called for a special study in terms of the nuclear program under the energy research and development administration. I want to quote from that study in terms of the need for less developed countries having the nuclear option. This is what they found after very extensive research:

> There are no truly compelling economic reasons for a vast commitment to nuclear power in lesser developed countries. There are other ways to develop more consistent with the history, their culture, economics, that are just as efficient. Military power and national prestige are the big causes of the nuclear choice for the LDC.

Therefore, it is not a moral dilemma that we should risk the question of proliferation against the need to peddle peaceful nuclear reactors in the way we have been peddling them. We have been peddling them like used cars, without any sense of responsibility in terms of a peaceful world. I want to again quote General Burns. This is a recent quote from the *Globe and Mail*:

> Once CANDU reactors are built, and producing plutonium, there will be nothing to stop an Argentinian or South Korean government abrogating the inspection agreement, and proceeding on the road to "peaceful nuclear explosions".

That is exactly the dilemma we faced with India, and exactly the dilemma we will be faced with in spite of the agreement with South Korea. In spite of all the pieces of paper the minister can table in this House, those agreements can be abrogated. There is not a sanction in the world to prevent it. Once they are abrogated, these countries can go into what they euphemistically call peaceful nuclear explosions. They then become a part of the nuclear problem, having the nuclear trigger in their hands.

It is time for a nuclear policy that says no more sales abroad, a total moratorium, and a meaningful offer at the United Nations as the first country willing to give up a piece of sovereignty in terms of a world of sanity and safety.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, obviously the only role a country such as ours can play is to set an example for peace and thus prevent anything that could be interpreted as military action. Of course, we agree with the decision contained in the minister's statement because we cannot participate, particularly directly, in any endeavour which might have dire consequences.

Mr. Speaker, that reminds me that as a country dedicated to bring peace in the world we should stop any trade which could be the cause of conflicts or wars. And one of the examples we should set is to avoid arming ourselves.

Of course, we should finally understand that given Canada's low density of population spread over such a vast territory as ours, it is quite ridiculous to arm ourselves as much as we do. And it is also ridiculous to see that such huge amounts of money are spent for our national defence.

So not only should we refrain from supplying arms to other countries but we should also seriously think of reducing significantly our expenses for our defence.

[*English*]

Mr. Lawrence: Mr. Speaker, I have a couple of questions for the minister. Because this is, as the hon. member for Saint-Hyacinthe indicated, a belated and very hesitant step to sanity on the part of the government—and I am sure it came about only as the result of representations made in this House by the opposition—would the minister indicate if he and the government are now completely re-examining the projected deals with both South Korea and Argentina? I ask this question in view of the opinions held by many people, even within the nuclear association of Canada, that the Canadian nuclear industry is going to have its hands full over the next few years in supplying the technology and the facilities in Canada alone for domestic needs. Will the government indicate whether the South Korean deal and the Argentinian deal are being re-examined by the government?

Mr. MacEachen: The answer is no, Mr. Speaker.

Mr. Lawrence: Because India has boasted, and still is today, that the two reactors being built in and near Madras are being built completely on the Canadian design and the Canadian system, is the government taking any steps to protect the obvious Canadian interest in both the international design and the international CANDU system in respect of those two reactors and other reactors in India?

Mr. MacEachen: Mr. Speaker, it was because of our failure to reach an agreement with India on the application of safeguards to the Canadian-supplied system in India that we decided that further nuclear co-operation was not possible. Of course, one of the items involved is the transfer of technology. I want to make careful inquiries on the precise character of the situation with respect to the trans-

fer of technology. However, it is my understanding that that technology is now available to India. It is because we were unable to safeguard all installations, including the Madras reactors, the Cirus reactor and a further new reactor proposed by India, that we decided we could not go further.

It is clear from my statement that India was prepared to accept safeguards on the Rajasthan reactors, but in our view that was not consistent with the broad policy that is supported by the government and, as is obvious, supported by every spokesman for opposition parties today.

Mr. Lawrence: Mr. Speaker, may I clarify my last question because I think there has been a misunderstanding. I do not think the minister understood. As I understand it, India is building two separate reactors, one in Madras and one just outside Madras, completely using her own resources. India has boasted that she is building those projects to the Canadian CANDU design and in accordance with the Canadian CANDU system. There are international legal safeguards protecting a propriety interest in matters such as this, and I am asking the minister whether he will consider the legal remedies which are open to the government of Canada to protect our interests in these systems and designs.

● (1530)

Mr. MacEachen: I now understand more clearly the point of the question. I will follow it up.

Miss MacDonald: I should like to tell the minister that while I welcome the decision he has announced today, I very much regret his further comment that he is not prepared to undertake a review of all the nuclear commitments Canada has made abroad. I think that is a sad state of affairs.

When this subject was raised some time ago, on March 5, I posed a question to the Acting Prime Minister about negotiations which were taking place, and the Acting Prime Minister said on that occasion:

The government has every reason to want full disclosure of all the facts.

Given that statement, would the hon. gentleman be prepared to tell us to what extent his change of heart, since the position he took a month ago during the debate initiated by the opposition on the subject, has been influenced by restrictions placed on Canada by the nuclear exporters' consultation group in London? Did these restrictions have anything to do with the decision announced today? Could full disclosure be made of the circumstances surrounding this particular aspect?

Mr. MacEachen: I do not believe I have had a change of mind.

Miss MacDonald: I said "a change of heart".

Mr. MacEachen: Since March 23 maybe I have had a change of heart, but not a change of mind. I think it was perfectly clear, from my comments in the debate, that with respect to India I was gravely concerned about the implications involved in the decision which has now been announced. Obviously, the contribution made by hon. members during that debate was one of the factors in reaching our decision. But I would add that the decision taken by the Canadian government in the case of India was an independent decision, arrived at on our own, and it was not forced on us in any way by other members of the London club.

Miss MacDonald: It is because of the secrecy which surrounds the discussions which have been going on with the London group and decisions reached there that I raise this question. Would the minister make a point of tabling, on motions, far more detail with respect to the arrangements which have been agreed to by this group, so that we could determine whether they apply to the nuclear commitments Canada has undertaken with regard to Argentina and South Korea? It is of great concern to many of us to know whether any enforcement procedures have been worked out by the London group to ensure that all members comply with the safeguard system which has been agreed to. We cannot determine this until we know all the details of the decisions taken by that group.

Mr. MacEachen: The statement which I made on March 23 was a serious attempt to disclose fully the terms of the commitment which we voluntarily notified to other members of the London group, in the same way as each member has voluntarily notified its own adherence. I will examine the transcript of my statement again to see whether it could be expanded or made more detailed in the sense of indicating more precisely what undertakings Canada did make.

Miss MacDonald: One final supplementary. I refer the Secretary of State for External Affairs to a statement made by the Prime Minister on May 4 in response to a question by the hon. member for Egmont. He said, then, that part of the London group's agreement was reached in secrecy on the understanding that no one country would make its terms public, but that if the terms were made public in a general way he was sure the Secretary of State for External Affairs would not object to making it public here. The Prime Minister undertook to ask the hon. gentleman to do that. That is really what I am asking the Secretary of State for External Affairs to do. Would he look into this matter and make sure that if possible we can be told the terms of the agreement in relation to this country's nuclear commitments to South Korea and Argentina?

Mr. MacEachen: Yes, Mr. Speaker, I have undertaken to look at the record of *Hansard* for March 23 to see whether more detail can be provided. But I assure the hon. member that our safeguard agreements with both Argentina and South Korea are certainly consistent with the London club arrangements—probably a slight step above.

Mr. Speaker: With the approval of hon. members, in order to conclude the questioning on this subject I propose to recognize the hon. member for Greenwood, the hon. member for Edmonton-Strathcona, the hon. member for New Westminster and the hon. member for Fraser Valley West.

Mr. Brewin: Mr. Speaker, I would put this question to the Minister. In view of the fact that David Lilienthal, a very famous scientist who had a great deal to do with the

original production of nuclear weapons and who was later president of many important organizations such as the TVA in the United States, together with our own General Burns—who has been twice mentioned here already—have both expressed the view that the very best safeguards we have devised are inadequate and that they can be evaded fairly easily, would the hon. gentleman accept the principle put forward by my hon. friend from New Westminster that Canada should be willing to limit its sovereignty by accepting, as far as CANDU is concerned, complete and effective international inspection and control of all nuclear installations?

Mr. MacEachen: I believe that in terms of the nuclear proliferation treaty Canada has done precisely that. All nuclear installations in Canada are under the inspection system of the International Atomic Energy Agency. We have limited our sovereignty. Under the terms of the treaty we have renounced the undertaking of explosions, so to speak, and we have opened all our facilities to NPT inspection. It seems to me there comes a point at which any particular country, after making some solemn undertaking—as we have done—can, acting on its own, abrogate those undertakings. That applies to all forms of international law. The world has not yet devised a system of enforcement that will overcome the problem posed by any country that abrogates its international undertakings. Nothing the hon. member for New Westminster said provided a solution to that problem.

● (1540)

To undertake to limit your sovereignty is binding for the duration of the period that you live up to your commitment and not a moment beyond. We have no international force that I know of that can enter a country with armed forces and say, "You must now live up to your international commitment". Is that what the hon. member is advocating?

Mr. Brewin: Mr. Speaker, I will leave it to the hon. member for New Westminster to speak for himself.

Mr. Roche: Mr. Speaker, a moment ago the minister acknowledged the contribution made by members on this side of the House on March 23 as one of the factors in the government's decision in this matter. In order that we may continue to make a contribution to a sane policy in this regard, would the minister table in the House the relevant documents in connection with the proposed Canada-India agreement, so we can study precisely the points on which there was a breakthrough and make a judgment as to whether existing and prospective agreements with other countries will lead to the same situation?

Mr. MacEachen: Mr. Speaker, I have grave doubts about the desirability of tabling documents which have not been accepted but are purely negotiating papers ad referendum. I have explained quite clearly the basic difference between us and India on this question. The ad referendum paper referred to safeguards solely on RAPP and to no other part of the Canada-India supplied nuclear system.

Mr. Roche: A supplementary question, Mr. Speaker. Would the minister consider tabling the documents initialled by Ivan Head early in March when he was conducting preliminary negotiations, and were the negotiations being conducted with the authority of the Secretary of State for External Affairs?

Mr. MacEachen: Mr. Speaker, the documents I have been referring to are the ad referendum documents initialled by the Canadian authorities.

Mr. Leggatt: Mr. Speaker, it is a pleasant change to have the minister ask me a question rather than the reverse. If I can briefly respond to the question, Canada's initiative does not deal merely with the obvious position under NPT with inspection of our facilities. It also means we have to move in terms of accepting sanctions as a result of failure to meet the commitments made under NPT which are not inherent in that agreement, and consequently in doing so we initiate the beginnings of the kind of police force that will provide the only safety that will be effective.

The minister might respond to this question, Mr. Speaker. Is he willing to say that Canada will submit to an international police force, and the sanctions inherent therein in terms of inspection of its own nuclear facilities, provided other countries will do the same in regard to their facilities, so we can take the matter one step further?

Mr. MacEachen: Mr. Speaker, I am not quite clear what the hon. member has in mind in mentioning sanctions. It seems to me that the existence of the London club of nuclear suppliers and the possible addition of other members is a very effective method of applying sanctions, because if all suppliers agree on the same standards and are willing to enforce them, a very important sanction comes into play—the withdrawal of supplies and materials. That, to me, is an extremely major sanction to apply and is, indeed, the purpose behind the suppliers' club.

With respect to the question about an international force, I hope the hon. member will give more thought to this and make a more detailed proposal at a later date, hopefully before the General Assembly of the United Nations meets so I can have the benefit of his further reflections.

Mr. Leggatt: Mr. Speaker, a final supplementary question. I understand Canada has been in negotiation with Pakistan in regard to supplying that nation with a reactor. Would the minister advise the House what effect the decision relating to India has had on the proposed sale of a reactor to Pakistan?

Mr. MacEachen: Mr. Speaker, all I can say is that it is bound to have an effect on the negotiations. Certainly, I am not clear at the moment what the effect will be, but it was open to Pakistan to conclude an agreement with us prior to this particular announcement and that did not take place. Obviously, this particular decision is bound to affect the Canadian attitude on further negotiations with Pakistan, but I am not precisely clear how. I am quite clear in my own mind, but I have no authority since the matter must be considered by my colleagues at an early date.

Mr. Wenman: Mr. Speaker, I express my pleasure at this announcement. Although further co-operation with India has been refused on the basis that a moral obligation with regard to nuclear proliferation has not been met, I feel Canada is taking a strong moral position of which we can

be proud. I also suggest we must be careful to see that this strong position is not eroded. It may well be interpreted as being hypocritical and discriminatory unless it is universally applied by all nations. I hope this is just the beginning of that moral stance.

In discussing the matter earlier today, reference was made not only to safeguards and to nuclear proliferation but to another important area, namely, the environment. Storage and disposal of nuclear waste remains a problem. Is the minister accepting, in his statement, the moral obligation and responsibility to ensure that in future agreements adequate safeguards will be provided to protect the environment from the proliferation of nuclear waste material such as plutonium 239? Would the minister also refer the question of Canada's policy on the sale of nuclear reactors abroad either to the external affairs committee or to a special joint committee?

Mr. MacEachen: Mr. Speaker, I can assure the hon. member that the application of Canadian policy is non-discriminatory. We have been able to secure the same provisions in our negotiations with India that we secured in the agreement with, for example, the Republic of Korea. We have been able to continue our nuclear co-operation. I believe the case of India is extraordinary because it is the only case where an explosion took place using Canadian-supplied materials and technology, contrary to the understandings we had reached with India. However, I will let my statement stand. I do accept an obligation toward the environment with respect to nuclear transfers.

* * *

BUSINESS OF THE HOUSE

Mr. Blais: Mr. Speaker, there have been discussions through the usual channels and there is consent by all parties to reverting to routine proceedings at eight o'clock this evening in order to receive a statement from the Minister of Energy, Mines and Resources (Mr. Gillespie). With consent, I would request a House order to the effect that the House shall revert to routine proceedings at 8 p.m., May 18, 1976, in order to permit the Minister of Energy, Mines and Resources to make a statement and table a document.

● (1550)

Mr. Baker (Grenville-Carleton): Mr. Speaker, there have been consultations, as my friend has indicated, and we are agreeable.

Mr. Knowles (Winnipeg North Centre): Agreed.

Mr. Beaudoin: D'accord.

Mr. Speaker: Such an order can be made at this time, of course, with the unanimous consent of the House. I take it there is unanimous consent that such a motion be put, and that it is the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

[Mr. Wenman.]

Mr. Speaker: Carried, and it is so ordered that the House shall revert to routine proceedings at eight o'clock later this day in order to permit the Minister of Energy, Mines and Resources (Mr. Gillespie) to make a statement and table a document.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 3,841, 3,847, 4,582, 4,584, 4,588, 4,590, 5,011, 5,032, 5,101, 5,245, 5,326, 5,376, and 5,400.

[*Text*]

IRISH MOSS MARKETING AGENCY

Question No. 3,841—**Mr. MacDonald (Egmont):**

Has any agency or department conducted a feasibility study on the creation of a single marketing agency for Irish Moss in (a) Prince Edward Island (b) the Maritimes?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by the Departments of the Environment and Regional Economic Expansion as follows: No.

PEI—FISHING SECTOR

Question No. 3,847—**Mr. MacDonald (Egmont):**

With reference to the fishing sector of the Prince Edward Island Comprehensive Development Plan, has any cost-benefit analysis been done for the programmes in Phase 1 and, if so (a) for whom (b) by whom (c) on what date (d) will it be made public?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by the Departments of the Environment and Regional Economic Expansion as follows: No. Cost-benefit analysis is just one of a number of tools for the analysis and evaluation of development projects. In the case of the fishing sector of the Prince Edward Island Comprehensive Development, Plan, the need to build up a more detailed community information base and the importance of non-quantifiable social factors has led to the conclusion that a cost-benefit analysis would be of little value at this stage.

SHOWINGS OF CANADIAN AND UNITED STATES FILMS IN CANADA

Question No. 4,582—**Mr. MacDonald (Egmont):**

1. For each year since 1970, what was the average number of showings in Canada, as a whole, for a feature film made in (a) Canada (b) the United States?

2. For each year since 1970, as an average per feature film shown in Canada, for (a) all films (b) films made in Canada (c) films made in the United States, what was the number of persons viewing such films across Canada?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): In so far as the Department of the

Secretary of State is concerned: 1 and 2. The information requested is not available through government sources.

REVENUES FROM FILM DISTRIBUTION IN CANADA EARNED BY NON-CANADIAN DISTRIBUTORS

Question No. 4,584—**Mr. MacDonald (Egmont):**

As an average, for each five year period since 1930, what was the (a) dollar amount (b) percentage of all (i) gross (ii) net revenues from motion picture distribution in Canada earned by non-Canadian distributors?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): In so far as the Department of the Secretary of State is concerned: The information requested is not available through government sources.

DEFINITION OF CANADIAN FILMS FOR PURPOSE OF CAPITAL COST ALLOWANCE OR CFDC FUNDING

Question No. 4,588—**Mr. MacDonald (Egmont):**

Does the definition of a Canadian film, for such purposes as capital cost allowances or CFDC funding, include films produced (a) under the official co-production agreements Canada has with three foreign countries (b) in co-operation with any other country or its citizens?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): I am informed by the Canadian Film Development Corporation as follows: (a) Yes automatically; (b) Yes, in so far as the producers adhere to the regulations for capital cost allowance or produce a film judged significantly Canadian by the CFDC under the CFDC Act.

BUDGET ALLOCATION FOR STUDY ON CANADIAN FILM INDUSTRY

Question No. 4,590—**Mr. MacDonald (Egmont):**

1. What is the budget allocation for the study on the Canadian film industry conducted by (a) Sydney Newman, advisor to the Secretary of State (b) Robert Tompkins of the Bureau of Management Consultants?

2. Are the parameters and goals for each study different and, if so, in what way?

3. Was it necessary to have two separate studies on the Canadian film industry and, if so, for what reason?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): In so far as the Department of the Secretary of State is concerned: 1. The budget allocation for the study of the film industry, undertaken by the Bureau of Management Consultants is $185,000. This is the only study underway.

2. Not applicable.

3. Not applicable.

CMHC—SENIOR CITIZENS' HOMES IN CONSTITUENCY OF CHAMPLAIN

Question No. 5,011—**Mr. Matte:**

1. Has Central Mortgage and Housing Corporation granted loans to the Province of Quebec for the construction of senior citizens' homes in the Constituency of Champlain and, if so, how many?

2. For each such grant to what (a) location was it directed (b) what was the amount (c) what was the year it was granted?

Mr. Jean-Robert Gauthier (Parliamentary Secretary to Minister of State for Urban Affairs): I am advised by Central Mortgage and Housing Corporation as follows: See Table following.

NOTE: Data on lending activity under the NHA are compiled by municipal county in Quebec, and not by Federal electoral constituency.

Loans for Elderly Persons' Housing, Approved Under the NHA[1] in the Municipal Counties of Champlain and Portneuf

	Municipal County of Champlain				Municipal County of Portneuf			
Year	Loans	Units	Hostel Beds	$000	Loans	Units	Hostel Beds	$000
1964-1967 [2]	—	—	—	—	—	—	—	—
1968	2	12	121	879	1	4	—	317
1969	4	9	175	1,357	—	—	—	56
1970	—	—	—	88	—	—	—	—
1971	1	32	—	334	—	—	—	—
1972	—	—	—	—	—	—	—	—
1973	1	100	—	1,353	—	—	—	—
1974	—	—	—	42	1	30	—	450
1975	—	—	—	—	—	—	—	—
Total	8	153	296	4,053	2	34	—	823

[1] Includes New and Existing Housing.

[2] Activity for these areas between 1964-1967 inclusive was nil.

CBC RADIO NEWS—VANCOUVER, B.C.

Question No. 5,032—**Mr. Reynolds:**

1. Is the 10.00 p.m. news, CBC Radio, produced out of Vancouver to be cancelled as of April 1, 1977?

2. Will this Vancouver produced news which is presently geared to the whole Pacific Region be replaced by a news cast out of Toronto?

3. Who in CBC made the decision that as of April 1, 1977 the only news worth reporting in British Columbia should come from Toronto?

4. Will CBC Radio news staff in British Columbia be reduced because of this move?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. The format of the 10 p.m.

radio news will be changed on April 1, 1977, and it will become a truly national program instead of being distributed, as is now the case, in the following pattern: Toronto production for the Atlantic provinces and central Canada; Winnipeg production for the CBC's Prairie and Alberta Regions; and Vancouver production for British Columbia.

2. The 10 o'clock news will be lengthened, and a section on sports news will be added. The program will make use of the extensive facilities of the CBC Radio central newsroom in Toronto: it will have international and national news prepared by network staff and regional news prepared by staff in the appropriate locations. The British Columbia news will be provided by Vancouver, Victoria and Prince Rupert news staff.

3. No such decision was made. The English Services Division of the CBC decided that the resources available in the British Columbia Region would be better devoted to improving British Columbia newscasts and British Columbia contributions to national newscasts than to the largely editing job involved in the present 10 p.m. news.

4. No.

CMHC—FEDERAL HOUSING ACTION PROGRAM, CONSTITUENCY OF CHAMPLAIN

Question No. 5,101—**Mr. Matte:**

In 1974-75 and 1975-76, did the government participate in the Action Housing Programme in the Constituency of Champlain and, if so (a) to what extent (b) what municipalities were involved (c) how many housing units are being built?

Mr. Jean-Robert Gauthier (Parliamentary Secretary to Minister of State for Urban Affairs): I am advised by Central Mortgage and Housing Corporation as follows: The Federal Housing Action Program was announced in 1975, and covered Assisted Home Ownership, Assisted Rental, municipal grants and loans for water treatment facilities and mains. The first two have been in operation during the past year, and data reflecting this activity are shown in the following table. The last two had not become operative by the end of 1975.

NOTE: Data on lending activity under the NHA are compiled by municipal county in Quebec, and not by Federal electoral constituency.

Loans approved under the NHA [1], 1974-1975—Federal Housing Action Program
Municipal Counties of Champlain and Portneuf

Municipality and Year	Assisted Homeownership Section 34.15 Loans	Units	$000	Assisted Rental Section 14.1 Loans	Units	$000
Champlain						
1974	131	131	2,544	—	—	—
1975	189	189	4,431	1	10	127
Total	320	320	6,975	1	10	127
Portneuf						
1974	13	13	301	—	—	—
1975	42	42	1,070	—	—	—
Total	55	55	1,371	—	—	—

[1] Includes new and existing housing.

LOANS GRANTED IN CONSTITUENCY OF CHAMPLAIN UNDER THE FARM IMPROVEMENTS LOANS ACT

Question No. 5,245—**Mr. Matte:**

1. Has the Department of Finance ever granted loans under the Farm Improvements Loans Act to farmers in the Constituency of Champlain and, if so, how many?

2. What was (a) the minimum and maximum amount (b) the maximum rate of interest?

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): 1 and 2. Under the Farm Improvement Loans Act which is administered by the Department of Finance the government offers guarantees for loans provided by banks. The banks decide whether an applicant qualifies and are required to take the same care that is required of a bank in the conduct of its normal business and to use normal banking practices in drawing up agreements and servicing the loans. Statistics respecting such loan guarantees are not maintained on a constituency basis.

[Miss Campbell (South Western Nova).]

CONSTRUCTION OF NEW BANK OF CANADA BUILDING

Question No. 5,326—**Mr. Caouette (Témiscamingue):**

1. What will be the approximate global amount, if any, given by the government for the construction of the new Bank of Canada building in Ottawa?

2. Were any loans involved and, if so (a) on what date were they accepted (b) what was the amount in each case (c) what was the interest rate in each case (d) what were the terms of the loans?

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): I have been informed by the Bank of Canada as follows: 1. Nil.

2. No.

LAND ON SUSSEX DRIVE, OTTAWA, SOLD TO JAPAN

Question No. 5,376—**Mr. Reynolds:**

1. How much land on Sussex Drive was sold to Japan in 1972 for the construction of an embassy?

2. What price did the Japanese government pay?

3. What was the appraised value of the land at the time of the sale?

4. Who appraised the land?

5. Who was the real estate agent in the transaction?

Hon. Barney Danson (Minister of State for Urban Affairs): 1. 0.91 acres or 40,077 square feet.

2. $410,403 (including $5,000 for cost of demolishing existing building).

3. $405,403

4. National Capital Commission.

5. No real estate agent involved.

NATIONAL DEBT

Question No. 5,400—**Mr. Beatty:**

1. What is the total national debt for 1976?

2. What will be the total amount paid in 1976 for carrying charges on the national debt?

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): 1. The gross public debt was $69,111 million as at December 31, 1975. The net debt on the same date was $22,312 million. During the year the gross debt will vary as outstanding debt is retired, new debt issued and as the balances in the superannuation accounts and other liability accounts change.

2. Gross public debt charges are recorded in the budgetary accounts and are forecast in the Main Estimates on an accrual basis. The difference between the amount paid during a year and the charges accrued, depends on the timing of interest payments to the holders of government securities. In the case of Canada Savings Bonds, the timing of interest payments is dependent upon the public's timing of bond and interest coupon redemptions. The Main Estimates forecast of gross public debt charges for 1976-77 is $4,650 million while tabled estimates for 1975-76 amounted to $3,930 million.

[*English*]

Mr. Speaker: The questions enumerated by the hon. parliamentary secretary have been answered. Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order. There was discussion at one time about the document which is sent to the official opposition and others covering the answers to questions and containing the names of the members to whom the particular questions pertain. I have the document here today, and it does not contain—

Mr. Blais: It is on the second page.

Mr. Baker (Grenville-Carleton): I beg your pardon. I am sorry; I stand corrected.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed, from Friday, May 14, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Gus MacFarlane (Hamilton Mountain): Mr. Speaker, last Friday I had just begun my few remarks concerning this bill. I intend to be fairly brief. I have listened very carefully to many other members who have preceded me, many of whom have had a great deal of experience in this House and others who are here, as I am, for the first time following the last election. Let me say I have respect for all sides of the question. I have found little I can criticize, and I am not prepared to challenge others for their points of view as to whether capital punishment should be restored or should be abolished. It is necessary for me, I believe, to answer this question for myself in a free and open way, and it is for me to state my case so that those in my riding will have a clear understanding of what I have to say on this issue. I do not intend to question the statistics put forward by others, and in no way do I wish to call them into account. I am sure all hon. members have attempted to be honest and fair in their approach and in informing their constituents of the facts as they see them and as they have researched them.

I found it very difficult, as I imagine other members did, to answer the tremendously important question: Do I represent myself, or my constituents who elected me, in the free vote on this bill? Indeed, it will be a free vote on this side, and I think that will be evident when two people who work as closely together as myself and the hon. member for St. Boniface (Mr. Guay) vote differently on this matter, as I am sure we will. This will clearly indicate that no instructions have come from the whip on this side, nor from the leader of our party. We have been enjoined to review the situation and to vote as free members of this House on the basis of conscience.

As to the matter of representing my constituency, I have taken this very seriously. It is an honour to attempt to follow the example of many other members of the House, particularly those of my own area around Hamilton, Brantford and the Pensula municipalities, whether they be members of the Liberal party, the Conservative party or the NDP. I have noted how carefully and how sincerely they have made their decisions and showed an interest in the feelings of their ridings. I have tried in some way to imitate them because I do feel that imitation is the most sincere form of flattery. If I come out of this as well as they have in making up their minds, I will feel honoured and will at least be able to look at myself in the mirror.

The constituency I represent is a very interesting one. I have asked myself how my constituents think in respect of this issue. I have done all the normal things, including sending out surveys. I made certain my constituents

received an every-constituent mailing which indicated to them the details of the peace and security package, without any editorial comment, just the details of the bill. At the same time, I assured them I would listen to them at open meetings, would meet with them in supermarkets, as I came out of the church, on the streets, and at sporting events: I would listen to what they had to say to me on this matter.

I set the stage for them to comment by setting forth the peace and security package of this government which contained the bill which first of all attempted to give peace of mind to the Canadian public, a public which at this moment seems to be very fearful of what is happening on our streets. The peace and security package indicated that our law enforcement agencies are important and that it may be unfortunate that we send people to prison, but that we felt we must in some way give the Canadian public adequate protection. Also, in proposing the legislation concerning the licensing and holding of guns we attempted to say, not that we could deal with the criminal element but at least in some way we might prevent some of the tragedies which occur because of the possibility that people handling weapons might use them in a way to hurt those they love.

It is my belief that through bail reform and our efforts to deal with prisoners, rehabilitation and parole—making certain parole is earned, and not automatic—we are saying to the Canadian public that this is the moment we are strongly behind our law enforcement agencies which serve us so well, and this is the moment we are strongly behind our courts in an attempt to give adequate security to the people.

If it is correct that we are providing this kind of security to Canadians, then at this time we recommend this bill which would once and for all put aside the death penalty as a means of punishment in respect of capital murder, substituting instead a penalty which would confine the convicted person to prison for a period of time to ensure that he or she will not be a danger on our streets. This is the context in which we have talked about abolishing capital punishment.

The bill concerning the peace and security package is now before the committee, where amendments can be made if it falls short of what we require and is not acceptable to certain people in Canada. We are now debating the principle on second reading of the capital punishment issue. I have heard from the people in my riding, having received about a 14 per cent reply to my survey and having listened to the people on the street, but I cannot say only what was contained in those replies to my survey. I cannot say just what somebody said to me in the supermarket. I cannot say just what somebody said to me coming out of church. I have now to reply in some informed way concerning what I believe is the best way I can serve my constituency and the Canadian public for the benefit of all concerned at this moment in casting my vote.

● (1600)

I believe that when I talk about my constituency it is like holding up a mirror. I have to hold a mirror up to them to indicate to them what they see themselves as. If I hold up the wrong image, then they will say that I do not know my constituents. What is the image I see: what do I see in that mirror of Hamilton Mountain? I see a group of people who enjoy living in a community which is part of the larger community of Hamilton and is part of a large province, Ontario, which is a province of Canada. But although they are citizens of the world, they feel very much part of Hamilton Mountain as an area served by its own small newspaper, served by its own cable TV, and an area that has its own junior Fincups although they were for all of Hamilton in the Memorial Cup.

This is an area which has its own recreational areas, its own churches and its families living and joining together among the various ethnic groups. This is the Hamilton Mountain I know. I know there are some people there who would say that we must retain capital punishment because this is the only way we can deal with the ultimate crime. I know there are others who would speak out and say no, who would say they are for the right of life theory, the theory of the right of children, the right of man and woman, the right of the aged, and therefore the right to life. So when I hold up the mirror, all those images come forward and now I must try to interpret how I can best serve all my constituency, remembering that included with that fine community, ultimately, is Ontario, Canada and possibly the world.

We must remember that poisonous weeds bloom well in prison air. We have to remember the simple thought that the people in prison sometimes nurture the foulest and most evil thoughts. Very little good grows within prison. When those who are in prison see the person who is described as the one who killed the thing he loved, knowing that all hope is taken from this person, knowing that this person now must indeed dance the dance that has no floor, knowing that this person will have his life taken, they find that quite often something dies in them, too. Something in them dies in respect of their feeling for society. Something in them is completely gone when they think about a society which will not take upon itself responsibility for the evil that exists and which will not accept its own face in the mirror, but will take a life and say, "There; it is solved and gone".

I have to say, for my side of it, that I cannot believe that. I believe that all men in some way kill the thing they love. Some, as it is said, do it with a bitter word, some use flattery, and some use a kiss. All of us share in any crime that exists in society. There is no need to ask for whom the bell tolls, for indeed it always tolls for thee or me. I am involved in mankind. I have no right to be a peninsula, sitting all alone. I am part of a society which kills. I am part of a society which takes life. I do not want a state which decides it will use that right. I do not want capital punishment to be legalized, even if criminals use capital punishment on one another.

I make it clearly emotional. I make it clearly straightforward. I claim no statistics to back up my argument. I have no desire to argue concerning whether or not it is a deterrent. I have to stand so that I represent in some way that constituency so that they can take a clear look at me. This is what they will do, and this is what they will see—a person who believes that those in his constituency of different persuasions have a right to state their case and be respected for it. But for my side I will stand firmly for

realizing that when, indeed, we decide to take life, then we have decided to go the same route as the person we are condemning. I still feel there will be those who might think that this is the soft way, that this is a way which will not serve us well.

I feel that if we were, indeed, to take lives and were to hold at our disposal the power to do that, then we would have done nothing but commit capital punishment which is what those people had committed. I cannot feel that this is correct. I cannot believe it is right. I will not accept that the only resort we have is to turn to the ultimate taking of a life and to admit that in our society we have to say it is all over, that if we get rid of that weed we will get rid of the next one that grows up.

I have heard it all before. They take the young and send them off to war. But killing does not stop killing. I think that must be said in very strong terms. I really am not interested in the comments of those who want to take life. I am really not interested in saying that they are right or wrong. I am interested in telling you that I believe I represent my own riding, the Canadian people, the young and the old, the young who represent our future and the old who represent our past. I say no Canadian government should ever again take life in the name of legality. Therefore, I will support the bill and strongly support the abolition of capital punishment.

● (1610)

[*Translation*]

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, I am taking part in this debate today on behalf of the constituents of Hochelaga who elected me six months ago already. It is my first opportunity to take part in a very important debate. I shall express the views of my constituents on this very important issue, capital punishment. At the outset, let me say that I consulted the people in my riding in a sort of referendum to find out whether they favour the abolition or the maintenance of the death penalty. Out of 24,000 questionnaires sent out, I received more than 2500 replies. You will note, Mr. Speaker, that when the vote will be taken, I shall vote according to the wishes of the majority of my constituents because, to my mind, it is a way for them to take part in such an important decision.

Mr. Speaker, through my intervention, I would like to make two points: first, without repeating what all my colleagues have already said, it will of course be the matter of upholding the death penalty, but with the possibility of commuting this penalty to life imprisonment.

The second point I will deal with is prevention which in the long run will have concrete results. Of course, if we should adopt the principle that capital punishment should be maintained for the time being, such a decision would surely curb the impulses of certain individuals who will have to think about it twice before committing a crime. But, on the other hand, what might solve the problem in the long run is the second point I have just mentioned, namely prevention, but I will come back to that.

Before going any further, Mr. Speaker, I would like to quote a remark of one of constituents when he answered my referendum. That person is a retentionist who would agree to a possible commutation to life imprisonment. I will quote what he said and it should be noted with due respect for the opinions of all other colleagues who could have a different view:

> The abolitionist trend points to human dignity; the abolitionist trend seems to ignore, alas, that not only criminals but also victims are human beings and that citizens should be entitled to maximum protection since we claim to be civilized; let us see this happen in reality without being naïve about it.

That is the way, Mr. Speaker, I will deal with the subject.

Let us look at the first part of my speech, that is the upholding of capital punishment. Of course, my conscience says I will not kill but perhaps we should ask ourselves the following question, namely if the one who killed asked himself that very same question. I do not know whether he asked himself that question, yet he commited a crime. So, Mr. Speaker, our first duty in this House is to make sure all Canadians have the maximum protection possible. An individual who goes into a bank or elsewhere with a gun and deliberately kills someone, knew beforehand that if he were in a difficult situation he would shoot. So we must take all appropriate means that is drastic means to protect society, just like the criminal takes drastic means to achieve his purposes. And the immediate means is the upholding of capital punishment, not in all cases, of course.

When you consider passionate crime or second degree murder, there are of course some lower degrees to consider. If someone has killed someone else, that does not necessarily make him an habitual criminal. But in many cases, he is a criminal.

Mr. Speaker, Canadians are presently in some way held as hostages by a minority of citizens we call criminals. I will give here some examples not to repeat what the previous speakers have said. There is the manager of a jewellery or of some business on his way to the bank for a deposit: he is attacked, shot down and falls to the ground; his assaillant shoots him once more to make sure he will move no more. This criminal has had no thought for the respect of human life. Let us consider the child who gets killed by a bullet when a criminal gets hold of a school bus and races through a town; after a while, a shot is fired, a child is hit and killed; yet that child was not responsible, and yet he has been killed. Has this individual stopped to wonder whether to the best of his knowledge and belief he would not kill? Yet, those are things which happen and are often seen. Several examples could be found.

I can quote here also from another of my constituents and I shall read more of these comments in the course of my speech. He says this:

"A member of my family, a father of eight children, was horribly murdered for a mere $88."

Mr. Speaker, when things get so bad that people can, for minimal sums of money, take the lives of our fellow citizens, it is our duty here in this House to ensure maximum protection to the people of our country. Of course, I am willing to respect the views of those who would rather abolish capital punishment. But unfortunately, we know very well that things are pretty bad. We need only think, for instance, of organized crime. We have seen the inquiry of the Québec Police Commission, how drugs are given to young people, how they are lured, caught and how they become total wrecks. That is crime and it is just as criminal, in my opinion, as killing somebody.

Capital Punishment

Mr. Speaker, when I was working in a hospital in Montreal before my election to the House of Commons, within six months I saw two young people of about 20 dying from absorption of mescaline. Who had supplied them that drug? It seems to me that this also is a crime, but in this case, the criminal kills by inches. Nevertheless, that criminal, the one who provides the drug, when caught, is sent to the penitentiatry for 10, 15 or 20 years maybe, but he knows he will be able to get out of there. However, he killed some people, but this is not taken into consideration. Mr. Speaker, these criminals are guilty of killing these victims of drugs. These are the ones who supplied them and I think they would deserve being hanged. Unfortunately, they are convicted for several years of mprionmnt, when we manage to catch them.

Mr. Speaker, we must bear in mind that a few years ago, when the government amended the law, we could read: "Anyone killing a policeman or a prison guardian will be hanged." Never did it happen so far. These are comments made to us by the population. They tell us: "We do not trust the government. It will not keep them in, not even for 25 or 35 years." Anyway, Mr. Speaker, what does he have to lose, the one who is convicted for 25 or 35 years, without any chance of being paroled? Killing one more person, two more, three more? He has nothing to lose. He will not feel uneasy if he gets a few extra years. This criminal has absolutely nothing to lose. Therefore, he will start again and the hazard will still be the same, and the population will no longer have any guaranty of protection.

● (1620)

At this stage, I would also like to mention some of the remarks made by my constituents, in my inquiry. I quote this one who is in favour of the retention of capital punishment and who says this: "Lets us get rid of hardened criminals before you and me are the next victims." Another tells us: "Now justice is encouraging crime more and more, at the expense of honest citizens who will soon have to take the law into their own hands."

Mr. Speaker, these few remarks lead one to think, and we see that people tend to have a feeling of insecurity. Today, when we go to a restaurant or elsewhere, we do not know any more if we will come out of it alive. An individual can come in, make a holdup, fire at those who are in this restaurant or elsewhere, and make a few innocent victims. However, these victims are innocent. We must consider those things and be consistent. It is our duty to warn potential murderers, through this legislation, to think it over before they decide to take another person's life, for it is up to them to choose whether they want to take the chance of being hanged. It is their own risk and their own life which will be at stake. In my view, if we elect by majority vote to retain the death penalty, we are giving the would-be criminal a warning and if he does not heed it, that is too bad for him.

Mr. Speaker, I would like now to quote from a letter which was sent to me last week by an inmate of a maximum security penitentiary. Here is what he says:

> Really, I would rather be hanged ten times than serve 25 or 35 years here but on the other hand it does not make sense to me that I should get 25 years or the death penalty for murdering a policeman and only a few years for a private citizen.

[Mr. Lavoie.]

Mr. Speaker, that is the testimony of a person now in detention who talks about himself. There is also the other side of the problem, that of prevention: it is the one that, in my view, should have been adopted, however, the one for which I would have voted. On the other hand, I will give my reasons later on. But before discussing that, it might be appropriate to ask each of my colleagues whether they have wondered why an individual has reached this degree of criminality. How did he get to that point? And certain examples should be given.

I am not saying that all those who are in prison have committed murders or thefts, what we call in general terms a crime, but rather I will give here an example of how a young person can come to juvenile delinquency and, eventually, to criminality, while keeping in mind the environment where he lives.

Let me give you as an example the head of a family who may be 40 or 45 years old, who has no formal education to speak of, who has just lost his job and lives off unemployment insurance while trying to find work. He cannot find a job because he does not have any diplomas, or else he is told he is too old.

Consequently, having exhausted his unemployment insurance benefits, he ends up at some point living off social welfare. That man just has to ask for welfare, and his request is complied with. He has children who are going to school and, at some point, as we know, with the high cost of living we are all aware of, the wife, who manages the family budget fairly efficiently, finds that the bills are too high for the money she gets. In time, she becomes nervous, irritable and rightly so. All of a sudden, all hell breaks loose in the family. The wife starts nagging her husband. And what does the husband do? In some cases he goes to the tavern to drown his frustrations, his problems and everything else, and the home continues to fall apart.

The child who lives in that atmosphere may be 15, 16 or 17, or even less. He goes to school and then comes a day when he wants some pocket money. What will he do? He will quit school to find work, to get a job. At some point or other, for some reason or other, he loses his job, tries to get a new one and then realizes that he does not have enough schooling. But for him going back to school is useless for he would rather work to earn some money.

Then, if he is no longer eligible for unemployment insurance, he will go to the welfare office. As soon as he gets the chance, this youngster will begin stealing here and there and he will finally get caught. Then he will be sent to prison and from that moment, mixed with habitual criminals, he will become a true criminal. This is one of the aspects of the problem. Instead of paying about $14,000 a year for a prisoner, if we had given $1,000 and $2,000 more a year to this family, not only would we have saved money, but we would have saved an individual who, instead of living an abnormal life behind bars could have lived like anyone else in society an honest and ordered life.

Mr. Speaker, we must review our social and economic policy, particularly as regards families which, in unprivileged classes, are the victims of this system. Parents cannot always be held responsible for the present situation and they did not want their children to end up that way.

Yet we have reached this point due to circumstances. Of course, Mr. Speaker, everything will not be solved overnight, but I am satisfied that through a review of our social legislation, we could substantially reduce juvenile delinquency and crime rates within the next five, ten or fifteen years. We must nevertheless be honest to the worker who is honest. Those who work for minimum wages, for instance, will be deprived of electricity or gas if they do not pay their bills. Yet the inmate does not face such problems. I do not say he is living like a king in jail, not at all.

Mr. Speaker, I wish to refer to another case on the human view point. What the individual has done is obviously illegal but what prompted him? A few years ago, a married man, the father of a number of young children who was living on welfare with a minimum income, decides at a given time to register with the Canada Manpower Centre because he does not have the education level that is usually asked for. Therefore, he gets by during a few years. He receives both welfare benefits and allowances from the Canada Manpower Centre for a retraining course.

His goal in doing so is to improve his situation, but at the same time, of course, to provide his family with a basic income of about $125 a week. Of course, after a few years, he is caught, prosecuted and accused like a vulgar criminal, being sentenced to two years for defrauding social welfare and two years for cheating the Department of Manpower and Immigration. That is four years altogether, two consecutive years for each charge, though he has only been convicted nothing more than getting payments by cheating and lying.

This individual had, of course, obtained the necessary diploma but when he was caught he was put in jail where he did a number of months and was released on parole for his good behaviour. This individual cannot find a job because he has a record so now he lives on social welfare.

Mr. Speaker, it has cost more to the state to convict him and support him in a penitentiary than if he had been forced to reimburse or to pay the fine. Of course I do not want to review the trial, because it is an example I am giving, a living example which is, in my opinion, inhuman, and for that reason I wanted to point out to what extent our social laws can sometime create circumstances in which someone is likely to commit that kind of offence and then encourage him to return to crime and live in it. Fortunately, this very individual did not go back to crime. So, Mr. Speaker, we will have to review our criminal system because there again, we can find examples which can help us understand why some individuals cannot be rehabilitated. There are several reasons for that. Even if he is rehabilitated, why is it in our present system, he has to return to crime.

● (1630)

I remember a former inmate told me once that the first time he went to prison, a big guy introduced himself and greeted him with both fists, stating he was the boss and not the inmate. That kind of welcome to prison certainly does not lead the way to rehabilitation. Of course I do not imply by that that all those looking after inmates act the same way, I suppose this is only a minority and I would not like to generalize.

There is also the matter of parole. There are individuals who went out on parole, committed another offence, came back to prison and got a second parole, while another who committed one offence only, is almost rehabilitated, offers every safeguard as far as job and family are concerned without any apparent problem, he has everything to live a normal life in society but is denied parole. It is discouraging for a young fellow almost rehabilitated, when he knows another inmate goes out on parole after a second offence.

There is also the matter of parole, and I am quite familiar with that. Here is an individual who stole a car some ten years ago. After all this is not such a serious offence, he did his time, or least part of it because he went out on parole, and since then he has never committed another offence. He asks for pardon. He is married with growing children, he is an honest citizen, he wants to get a better job to ensure his family's future with higher wages, but for unknown reasons the pardon officials constantly delay the decision. Why? Mr. Speaker, in cases where offenders who are fully rehabilitated without any question meet with refusals for so small an offence, they being are being marked, they are prevented from living a decent life, they are pushed back on the way to crime. Those organizations should absolutely not be tolerated. They should be reformed, and the sooner the better in the interest not only of inmates that can be rehabilitated, but also of our institutions and the Canadian people as a whole.

There is another point that I would like to make. In certain areas, youths purchase glue in restaurants or stores. These are the youths who may become juvenile delinquents, and later on criminals. We must put a stop to this. Of course, I am not saying that tradesmen do this consciously. Young people may need glue for their school work, but I say that the government should control the glue market immediately to prevent our young people from continuing to sniff glue to drug themselves. Of course, Mr. Speaker, there will always be criminals, but when I speak about prevention and results which will be felt in five, ten or fifteen years, this is a fact, and I am certainly not alone in thinking and saying this.

If we want to considerably reduce the crime rate, prevention must start with our young people. We must invest the sum required in these young people and the groups that truly want to help young people and prevent them from becoming delinquents, to show them something different from hanging on street corners in the doorway of certain restaurants, either to smoke drugs or sniff glue or what have you.

Mr. Speaker, instead of thinking about building prisons for future needs, we should think of our youths as the men of tomorrow instead of as the criminals of the future who will fill these prisons. Mr. Speaker, before closing, I would like to tell the House that I shall vote for the retention of the death penalty, not because I want to take the life of someone else; far from it, Mr. Speaker. My first duty is to protect the majority of citizens, and to do so, I must maintain my position.

Moreover, the great majority of my constituents are for retention, and I shall vote according to the wishes of my

fellow citizens, whom I am proud to represent. I shall close on a comment of one my constituents who favours abolition of the death penalty. His comment supports what I said earlier about improving our social legislation on the one hand, and improving our penitentiary system on the other hand.

I would like to close, Mr. Speaker, by quoting the words of one of my fellow citizens from Hochelaga: The death penalty is not the only way to kill a man, he can die of a sick society.

[*English*]

Mr. William Andres (Lincoln): Mr. Speaker, I am pleased to have the opportunity this afternoon to take part in the controversial debate on capital punishment, a subject we are debating while our country goes through serious times. Let me make one thing clear: I am not taking part in this debate just to let my constituents know my position, because they know my position very well. They sent a delegation to the House this afternoon. Actually, some of my younger constituents are in the gallery this afternoon.

Some hon. Members: Hear, hear!

Mr. Andres: Much has been said about capital punishment. Members have argued in favour of outright retention, retention for certain offences, and outright abolition. We have heard many statistics mentioned. You can prove almost anything with statistics. But I take another position, a position on which our constitution is based. Mr. Speaker, our constitution is based on Christian principles. I maintain that we should consider the Christian principles on which our consitution is based and see what the Scriptures have to say. Members have based their arguments on what the Scriptures say. The House has heard arguments about the deterrent aspect of capital punishment, about the need to protect society, and so on. We all want to protect society: there is no argument in that regard.

Some members have talked about punishment and retribution. To support their arguments they have quoted from the Bible passages such as: "An eye for an eye, a tooth for a tooth," and "Whosoever sheddeth man's blood, by man shall his blood be shed." Still another passage quoted is: "He that smiteth a man so that he die, shall be surely put to death." Mr. Speaker, I insist that members who rely on the Scriptures to make their argument have not gone far enough. They stop short, not telling the House all that the Scriptures say. If one is to base one's position on what the Scriptures say, one should cite all 16 instances in which the Scriptures prescribe capital punishment as punishment for an offence. The Scriptures prescribe death for such things as adultery, cursing one's parents, false worship, and working on the sabbath—and which one of us is not guilty under at least one of these offences?

Therefore, if members want to rely on passages in the Scriptures, let them quote all pertinent passages; let them not be selective. Too often people will quote passages from the Scriptures because those passages support their position. Such people say to themselves, "This passage meets my criterion; therefore I will quote it."

[Mr. Lavoie.]

We must consider the moral aspect of the question. In the end, the murderer is responsible to his Maker, his God. He is also responsible to society and the state. The state must deal with the murderer and with the criminal. The question is, how shall the state deal with the criminal, and what are the responsibilities of the state in relation to the criminal? Also, can responsibility be laid at the feet of society. I suggest that yes, society has a responsibility. We are all guilty. Therefore, let us consider the alternatives to death.

All the retentionist arguments I have heard are reminiscent of revenge. I submit that vengeance cannot be regarded as a solution to violence. True justice is devoid of any element of revenge. Unfortunately, judging from what I hear and read in the media and from what various people have said, the element of revenge colours people's thinking. I do not believe in revenge, yet constantly one hears arguments smacking of revenge. I have heard arguments about deterrence. You can support your arguments on the deterrent aspect of capital punishment with statistics, which have been used. You can talk about countries which have abolished the death sentence and compare their murder rates with the rates of countries which have retained it and, no doubt, recite most interesting figures. But I have not been able to find conclusive proof showing that the death penalty is a deterrent. I submit that it is not a deterrent. Many factors influence the murder rate in a society, factors such as our present social instability, the influence of TV-depicted violence and the increased pressures of coping in a fast-moving, technologically complex society.

● (1640)

The use of drugs and alcohol is a crutch when we are unable to cope. There is also the aspect of overexpenditure and gambling. You can bring all this together. When society is not able to cope, it turns to violence. The deterrent aspect has never been proven. Sir Robert Mark, commissioner of metropolitan police in London, England, spoke in Toronto recently and said:

> The best deterrent to crime is the likelihood of detection followed by the certainty of conviction, rather than reliance on savage penalties unlikely to be applied in many cases because of a proper finding of guilt prevented by the operation during investigation and trial, of safeguards rightly designed to protect the innocent from a sentence of death.

He further stated:

> —the continuance of the death penalty prevents the reforms necessary to increase the effectiveness of criminal justice.

I do not believe that our citizens are looking for blood. They are looking for the protection of society. As I listened to the arguments to both sides of this question I found that everyone is looking for the protection of society. We need this protection today even more than before. However, the death penalty is not a solution for the protection of society. Protection can be better achieved through revamping our judicial and penal systems. We must promote speedy arrests, certainty of arrest, speedy trials and severity of punishment. Stronger and more rigid enforcement of sentences, bail and parole laws will work better for the protection of society. This will also allow for the possibility of reform and more equitable justice than the mere act of retribution.

The protection of society can be better served by facing the problems that breed crime and violence in our society. Society will be better protected when we all face our responsibility for the type of society we have and for the elements perpetuated therein. Juries are often reluctant to convict if the death penalty is retained. They are more likely to acquit the offender. That is another reason why abolition is of greater protection to society.

We must take a positive approach. The death penalty is final and does not allow for any chance of reform or rehabilitation. Capital punishment is an irrevocable decision without any hope of redemption. A mistaken verdict can mean an irrevocable tragedy, and judicial error is always possible. This means that ultimate injustice could be performed by the state. We would be naive to believe it is very rare to sentence the innocent. Between 1889 and 1927, 50 of the 406 persons sent to Sing Sing for execution were found, upon reconsideration, to have been sentenced in error. We have moved from that day, but we still have error. Error still creeps in because we are human.

The possibility of such costly error must make one question the morality of capital punishment. There are verifiable inequities in the application of the death penalty. More often than not it is the wretched of the earth, made more pitiable by the despicable crime of murder, who become the victims of capital punishment. The well-to-do, the educated, the respectable who commit capital offences rarely forfeit their lives. While it is difficult for a rich man to get into heaven, it seems even more difficult to get him into the hangman's noose.

We have a responsibility. Imposing the death penalty avoids our responsibility and does not offer a solution to changing and correcting the problems in our society which are the source of crime and violence in the first place. Criminal behaviour is a cry for help. Society is not answering the needs; it barely hears the cry. It does not have time. We are all too busy doing our own thing and are not concerned about our fellowman. In fact, in many ways we step on him. We in society all have a responsibility for the values we adhere to and for what takes place within our human community. To simply say "yes" or "no" to capital punishments shirks our responsibility to face the problems and underlying questions of why there is crime, what are the sources or root causes and what can we do to ensure and work toward improving these conditions and preventing violence?

We must look into our homes. There is instability in our homes where our children are growing up. There is disrespect between the parents, between the parents and the children, and vice versa. We must look into our communities, school and institutions. There is disrespect for authority. This is the kind of environment in which our children are growing up. What can we expect? We can take this a little further into our employer-employee relationships. Everyone has heard the expression "work to rule". People don't seem to have any pride in workmanship any more. Where are the values that we once held so true and dear? These are some of the problems our children are facing. We must take a serious look at this and accept our responsibility. There is disrespect for law, order and authority. Each of us must examine his own responsibility. It is easy to point the finger at the family next door—but we must look at ourselves. Are we accepting our responsibility?

What are the alternatives? There is penal, judicial and parole reform, as already mentioned, advocating strict punishment but in a more positive and productive framework. There is the question of how a criminal must pay back his debt to society. Punishment can be viewed in a more positive way by providing alternate means. A penal system must be developed where productivity and positive values are encouraged as an alternative to the negative approach to violence by sanctioning the death penalty.

The question is often asked, "What about the victim? Much has been said about the criminal, but what about the victim?" I am too practical to really worry about the victim. In fact, I say there is nothing we can do for the victim at this point. It is a fact that has been completed. As much as I might have sympathy or compassion, there is very little that can be done for the victim at this point.

● (1650)

But what about the families? Here is where we come in. Here is where society can help. We can offer compensation to the families affected. They should be given encouragement and assistance. Society as a whole must provide special comfort and service to the afflicted so that we all absorb the effect of the violence. We can all share in it. We can try to prevent such tragedies happening again by ensuring that the criminal is removed from society and confined appropriately, again stressing the steps to be taken to improve society and restrict those elements which harbour or perpetuate crime. Legal imposition of the death penalty does not redress the wrong done and offers no positive answer to society. Moreover, it denies any hope for the reform and rehabilitation of the criminal.

I challenge my colleagues to consider seriously the responsibility which rests upon society, which rests upon each and every one of us, and to review the decisions they have taken to date and consider supporting this bill for the abolition of capital punishment.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, this is the fourth time I have taken part in and listened to debates in the House on this subject. It is not an easy decision to make. I think everyone has to ask himself: What is my position? He should then set it out immediately. My position is somewhat refined, in a sense, since I am a partial retentionist. I believe some form of capital punishment should be retained, and I ask hon. members to bear with me when I say "some form". Too often the principle is confused by consideration of the method of execution for planned, premeditated murder where conviction is based on direct evidence rather than on circumstantial evidence. There are many such cases and I shall refer to them.

With regard to this type of offence, I say there should be no exception. On the other hand, the Criminal Code provides for commutation in certain circumstances, and in exceptional cases where there is doubt or where any uncertainty arises at the trial—and it is always difficult to get a new hearing—it is possible for the cabinet to commute sentences, but this procedure should be used properly and always in accordance with the law.

I have in the past supported the idea that the death penalty should apply in the case of the murder of a police officer or prison guard. I also support the idea that it should apply to all persons convicted of premeditated, planned murder in cases where the verdict is based on direct evidence. Under the former terms of the Criminal Code there is a division between capital murder and non-capital murder. From my experience, I can say that defence counsel would tell the jury, before any evidence had been presented either by the Crown or by the defence, that much of the evidence to be presented would be circumstantial in nature, and in such cases the accused would be tried only on the charge of non-capital murder. I believe that system worked very well. I believe the death penalty should also apply in cases where a person is found guilty of treason, by which I mean treason in its real sense, the undermining of the country by unlawful insurrection, and that it should also apply in the case of the assassination of the monarch.

This afternoon, my right hon. friend from Prince Albert (Mr. Diefenbaker) directed a question to the Prime Minister (Mr. Trudeau) with reference to the abolition of capital punishment for treason, the unlawful overthrow of the government of Canada, or the assassination of the monarch. He stated in the preamble to his question that it might be very difficult for some abolitionists to vote for a bill which contained no provision for capital punishment in such cases. I do not think anyone who knows my right hon. friend would question his philosophy on this subject—we all know where he has stood with regard to it over the years. But this is an aspect which he has questioned.

I would call the attention of the government to the fact that we are living in times when violence is on the increase, when it does seem that violent groups can get together. I do not know whether the stories we have read recently with respect to threats to the Olympics is an exaggeration or not, but we do know what happened on another occasion when the Olympics were held. I suppose the answer given by the Prime Minister was the best he could do under the circumstances. He said, to paraphrase his words, that there should not be exceptions made in particular cases. Well, Mr. Speaker, I would remind you and other members of the House that on the three occasions in recent times when this subject has been discussed in the House, he himself voted for the provision of exceptions; he voted in favour of the application of capital punishment in particular cases. In other words, on those three occasions the issue before the House was not complete abolition; it was partial abolition and partial retention.

The government undertook to give that arrangement a trial for five years. Now, 2½ years later, we are at it again. I would point out, though, that the right hon. gentleman has commuted all the sentences passed by the courts since he became minister of justice and prime minister of the country. The situation in Canada has been one of abolition *de facto*, if not *de jure*. Members of the government have flaunted the law which they themselves developed and which was agreed to upon a vote in this chamber.

The position of the Progressive Conservative party, without any evasion or equivocation whatsoever, is that all our members will have complete freedom of thought and action in respect of this highly controversial and emotional matter. There will be no direction given to our members by our leader. All of us will speak freely as individuals and will vote freely. On the other hand, when asked whether members of the Liberal party will be given the opportunity to vote freely, both the Prime Minister and the Solicitor General (Mr. Allmand) wiffle and waffle before finally admitting that though the whip will not be on as far as ordinary members of parliament are concerned, it will certainly be on for members of the cabinet.

The excuse given is that since this is a government bill, it must be supported by the cabinet. Let us consider this proposition. The government could easily make it clear that whatever way the vote should go—in particular, should it go against the government, in support of retention—it would not constitute a vote of non-confidence in the government. Then Liberal members of the cabinet as well as those on the backbenches could vote freely. Not only is there control in the sense that 27 members of cabinet will not be allowed a free vote, but influence is effectively used in other ways. In an article written during the days when this party formed the government, the prime minister talked about the power to appoint parliamentary secretaries. They were told to toe the line.

Mr. Speaker, I see it is five o'clock. I will continue my remarks after supper.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): Order, please. It is my duty pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Simcoe North (Mr. Rynard)—Health; the hon. member for Vancouver Quadra (Mr. Clarke)—Post Office; the hon. member for Surrey-White Rock (Mr. Friesen)—Education.

It being five o'clock, pursuant to order made on Friday, February 27, the House will now proceed to the consideration of private members' business as listed on today's order paper.

Mr. Blais: On a point of order, Mr. Speaker, there has been the usual consultation and all parties agree we shall be dealing with order No. 55 in the name of the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds).

The Acting Speaker (Mr. Turner): Is that agreed?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Turner): It is so ordered.

PRIVATE MEMBERS' PUBLIC BILLS

[*English*]

COMMUNICATIONS

MEASURE TO ESTABLISH A UNIVERSAL EMERGENCY TELEPHONE NUMBER

Mr. John Reynolds (Burnaby-Richmond-Delta) moved that Bill C-255, to establish a universal emergency telephone number, be read the second time and referred to the Standing Committee on Transport and Communications.

● (1700)

He said: Mr. Speaker, it is a pleasure to debate this bill today. When I first came to this House—

Mr. Blais: I rise on a point of order, Mr. Speaker.

The Acting Speaker (Mr. Turner): Order, please. The Parliamentary Secretary to the President of the Privy Council is rising on a point of order.

Mr. Blais: Mr. Speaker, might the table indicate whether the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds) has spoken previously on this particular bill, in view of the fact that I understand this is not the first time that we have debated it?

The Acting Speaker (Mr. Turner): I am advised by the officers at the Table that this is the first time it has been debated.

Mr. Blais: Then I stand corrected, Mr. Speaker.

Mr. Reynolds: Mr. Speaker, if the parliamentary secretary had let me speak a minute longer he would have realized why we are debating the bill a second time, because I was going to say that when I came to this House in 1972, the then hon. member for Surrey-White Rock had this bill on the order paper. I remember talking to him about it a number of times, and when he retired from the House I telephoned him and asked whether I could have the privilege of putting it on the order paper in my name, and he agreed.

At the same time, the hon. member for Toronto-Lakeshore (Mr. Robinson) had the foresight to do the same thing, and by the luck of the draw he got his bill on—I think it is Bill C-252 or C-253—and had it debated in the House before I did. However, I think this is a very worthwhile idea. I wanted to make sure that the former hon. member for Surrey-White Rock, Mr. Mather, who has now retired and who was an excellent member of the House of Commons—

Some hon. Members: Hear, hear!

Mr. Reynolds: —was given credit for raising this matter previously.

Mr. Blais: Was he left-wing or right?

Mr. Reynolds: I really do not think it matters whether a member is left-wing or right-wing in private members' hour; we should try to put this sort of bill through more quickly so they can be passed into law. However, I know

for a fact—and I might as well say this before I get into the content of the bill—that this afternoon the government is prepared to talk the bill out again, and this does disturb me greatly.

When the hon. member for Toronto-Lakeshore brought his bill before the House on Friday, March 26, the hon. member for Winnipeg North Centre (Mr. Knowles), a member of the NDP, talked about the bill and its merits and said it should go to committee. Then the hon. member for Grenville-Carleton (Mr. Baker), the House leader for the Conservative party, made a speech and also wished it to be sent to committee. Four Liberals then spoke and talked out a bill that one of their own members had put before the House.

Mr. Paproski: Shame.

Mr. Reynolds: They all agreed it was an excellent idea, but as we know, Mr. Speaker, this government does not want excellent ideas to be sent to committee. I hope that today some of the backbenchers opposite who have been asked to make speeches will just freeze in their seats and let this bill go to committee.

Mr. Paproski: Question.

Mr. Reynolds: I am quite prepared to let the bill go forward in the name of the hon. member for Toronto-Lakeshore, if that is better for them. I just think it is the type of issue that should get to committee.

The purpose of this bill, Mr. Speaker, is to amend the National Transportation Act by adding immediately after section 22(1)(i)(j) the words "provide for the establishment by all Canadian telephone companies of a universal emergency reporting telephone number". I feel a bill of this nature has a great deal of merit in light of the growing amount of emergency calls placed through the three regular means of emergency services.

A most recent example is one that took place in my constituency last Thursday. Viewers of the CBC "National" on Thursday night, May 13, will recall a clip of a shocked lady, a burned house and a demolished light plane, partially in the woman's kitchen and the rest in the backyard. This was by no means a humorous scene and it was not meant to be. One of the men in the plane was killed, the other was injured. The woman was in shock, but she managed to keep her wits enough to dial the operator. However, the line was busy. So was the police line. Finally she got through to the operator, but by that time she was very upset and could not make herself understood. Coupled with the fact of the plane crash was the woman's initial inability to get through to the operator, and by the time she did frustration had set in.

It would, of course, be presumptuous to think that a life would have been saved in this instance if an emergency telephone number had existed. What I am questioning, Mr. Speaker, is the process one faces in reporting emergencies in this country, and the subsequent delays on many occasions. Hypothetically, what if the woman's life was at stake? Would fate have waited until she had got the operator? The fact is that in many instances lives would have been saved in this country if the reporting procedure of emergencies was expedited.

The woman's major complaint after this incident was the delay in getting through, and then relying on the operator to contact the proper emergency service. It is the sheer frustration that makes these critical matters worse. I firmly believe that an emergency telephone number would alleviate some of the trauma of such incidents.

This incident in Richmond, B.C., is but one isolated case; we all appreciate the fact that many more occur every day, in most cases of a more severe nature where life and death situations exist. Nearly every Canadian is aware of the British "999" exchange, while in most parts of Canada we must rely on the "0" for operator, hope the line is not tied up, and rely on her to place the appropriate call for us. This practice is not only frustrating and time-consuming, but outmoded in light of the technology the phone companies have at their disposal.

I realize that problem of jurisdiction arises in properly implementing this service. I also realize that merely making "911" an emergency number does not solve the reporting aspect of emergencies. An entire co-ordinated system is needed, and so is total agreement among involved agencies to accept the same exchange. I fully realize that boundaries of emergency agencies seldom coincide with telephone exchange boundaries or municipal boundaries. Of course, it would be imperative to have all three major services included, police, fire and ambulance.

In the interest of saving human lives and preventing disaster, I cannot foresee any hesitancy on the part of these agencies, and surely not on the part of the telephone companies. The hurdles to be cleared in instituting such a number are minimal. I think the only reason for not implementing such a number would be out of sheer disinterest and lack of compassion, not out of inability to invent the proper machinery to handle this task.

An argument against the use of an emergency telephone number is the possibility of false alarms and errors in reporting an emergency. In fact, Mr. Speaker, the telephone companies have advanced their technology to the point where there is little chance of mistake. An example is "call, hold and trace", which holds up the line the "911" caller uses. This allows the emergency bureau to ring back the caller for verification. This ensures the proper use of this number and, above all, its expeditious use. Expediency is the end goal, a character which is so sorely lacking in our present emergency system.

The 911 number is not an esoteric one. It will be used at one time or another by all Canadians in one sort of an emergency or another. The 911 number has a broad sphere of influence and I think the public will support such an innovation. More than 45 million Americans are now being served by this 911 number. Last year, in the United States, some 6.5 million calls were placed to the 911 number in New York city. It has been considered a ringing success, and the interval required for a call to be relayed to an on-scene patrol car has dropped from two minutes to 35 seconds, and in a priority call situation to less than ten seconds.

Of course, abuses will occur along the way, as they have in the U.S., and that is part of the system. But surely the positive points outweigh the negative aspects: people will, over time, acquire confidence in the system, learn to use it wisely and only in times of emergency. The co-operation of

municipal authorities will be needed, but since these same municipalities are the constitutional responsibility of the provinces, the two can get together, talk about the use of such a number and arrive at a logical and mutually agreeable arrangement.

We now have before us two other bills aimed at the protection and preservation of human life. I am sure each member is aware of the two I am referring to. Without overstating the case, I think that an emergency telephone number would have the same redeeming social value. The purpose of the bill is implicit: its sole purpose is to ensure that, if at all possible, human lives or tragedies will receive prompt attention in the face of adversity. Surely the social need for such a number overrides the jurisdictional argument.

It takes three seconds to dial 911 and over ten seconds to dial a seven-digit number. In a life or death situation, with a co-ordinated system and the 911 exchange this difference of seven seconds can in fact mean the survival of a human being. It would be a shame not to implement such a number when all the resources for such a service are at our disposal. Researchers all agree that a three-digit number can be learned and remembered by any child in the face of a crisis, but not too many will give good odds on the chances of remembering a seven-digit number. Even seven-digit numbers we dial regularly can escape us on occasion, and the chances of forgetting a long number in the face of a crisis or emergency are far greater.

Bell Canada and B.C. Telephone have both agreed to co-operate with municipalities. As for this jurisdictional and constitutional argument, no legislation is ever passed in these chambers without there being some jurisdictional difficulties. However, I hope the weight is not placed on that argument against such a number. I think those considerations should be secondary, if not tertiary, in debating the relevance of this bill.

● (1710)

The consequences of not implementing such an emergency telephone number in the near future, in face of the increasing rate of accidents, drug overdoses, poisonings and natural disasters, are self-evident. The gravity of this situation is too extreme to overlook the possibility of implementing such a number any longer and I would, therefore, urge hon. members of this House to allow this bill to proceed as quickly as possible to the committee so it can be discussed and passed in this House.

Mr. Leonard Hopkins (Renfrew North-Nipissing East): Mr. Speaker, I congratulate the hon. member for following tha persistence of others in bringing forward a bill to establish a universal emergency telephone number. However, I am not going to spend almost three minutes of my speech talking about how other members are going to talk this bill out, as the hon. member did in talking his own bill out of the beginning of his speech.

I note that in the series of events the first reading of the hon. member's bill took place on October 15, 1974. The bill presented by the hon. member for Toronto-Lakeshore (Mr. Robinson) also received first reading on October 15, 1974. The other bill referred to by the hon. member who is sponsoring this bill was presented to the House for first

reading on January 15, 1973, by Mr. Mather. Bill C-252, an act to establish a universal telephone number, was introduced by the hon. member and read the first time on October 15, 1974. The other bill was identical to the bill before us today in the name of the hon. member. These private members' bills suggest that a section be added to the National Transportation Act to provide for the establishment by all Canadian telephone companies of a universal emergency reporting telephone number. Similar bills were introduced in 1973 and 1974, and the most recent debate on this subject was in 1975.

The idea of a universal emergency telephone number appears, in theory at least, to be a very worthy one. There are a number of practical problems with the bills, however. The bills appear to be redundant in that the principal telephone carriers subject to federal jurisdiction, Bell Canada and British Columbia Telephone, have already expressed willingness to supply the service and to co-operate with municipalities in this regard. In light of the demonstrated willingness of the telephone companies to design and install a system to meet the requirements of any particular municipality, legislation would probably serve to elicit an undesirable reaction from the carriers concerned.

As drafted, the bills purport to apply to all Canadian telephone companies, whereas all the major telphone companies except Bell Canada and British Columbia Telephone are presently subject to provincial regulations.

In his speech of March 26, the hon. member for Toronto-Lakeshore said:

> My purpose for proceeding with Bill C-252 this afternoon is not so much in the expectation that the bill will be passed, a rare occurrence in this House for legislation initiated by private members, but rather in the hope that hon. members will see fit to allow the subject matter of the bill to proceed to committee for detailed study and discussion.

He then went on to say later in his speech:

> The establishment of a single emergency number through which people can summon police, fire or ambulance help in any city, not only in Canada but in all of North America, and progress in the United States has been very impressive, would be a very important step in the field of public safety. The idea is not new.

A community cannot establish a "911" emergency telephone service by simply changing over to a new telephone number. First, municipalities must be prepared to meet a number of requirements that range from resolving boundary disputes to organizing their major emergency agencies and establishing a central answering bureau. The number "911" is designed to be used for direct reporting of emergencies to an answering bureau serving a given area. The three-digit code 911 has been reserved as a universal emergency number because it is compatible with the long-range numbering plans and switching configurations of the telephone companies.

Jurisdictional boundaries of emergency agencies seldom coincide with either telephone exchange boundaries or municipal boundaries, and to avoid confusion agencies must be prepared to serve all those within an individual exchange or in exchanges having local calling with a core exchange where they may not have jurisdiction. Also, for the 911 service to be effective all three emergency services, police, fire and ambulance, should be included.

Emergency Telephone Number

Mr. J. D. Cunningham, director, provincial government relations, for Bell Canada said that where telephone boundaries and community boundaries do not coincide, Bell Canada will take part in discussions to work out solutions between the affected communities. He also suggested that when a decision is made to go ahead with 911, Bell Canada will do whatever it can to assist a contracting municipality in its efforts. This could range from assistance in the development of a publicity campaign to help in training 911 operators who staff the answering bureau.

There are now seven operational 911 systems in Canada. They are operating in St. John's, Newfoundland; Fredericton, New Brunswick; London, Ontario, and in four Alberta communities. Now there is an additional one in operation in the regional municipality of Waterloo, Ontario.

Mr. Knowles (Winnipeg North Centre): You missed Winnipeg and Brandon.

Mr. Hopkins: I am informed that I missed two. If they have them, I am glad for their sake. I might say that if we did have an emergency number which requires rapid attention, there is one number I would not hesitate to call, and that is the House of Commons number 2-4618, the number of the hon. member opposite.

I have before me a series of questions and answers that delve into this subject in a very concentrated manner. They are as follows:

1. Why was "911" selected for the universal emergency number?

   911 was selected for the universal North American emergency number because it is a brief and easily-remembered code.

   It is compatible with long range numbering programs and central office switching configurations. It is also a unique number, never having been authorized for assignment as a central office or area code. In addition it is consistent in format with other System service codes such as 411 for information and 611 for repair service.

2. What is the intent of having one universal emergency number 911?

   The emergency number has been offered to assist local public safety agencies in protecting the life, property and safety of the general public at the local level. It is the intent and hope that the one number 911 would apply to all emergency calls of a public safety nature in the area served since the advantages to the public depend on the universality of its use.

● (1720)

   It should be made clear however, that the 911 number will not replace existing 7-digit emergency numbers assigned to such services as police, fire and ambulance. These regular numbers will be retained along with the facility to dial "O" operator in the event of an emergency and receive the same assistance as at present.

3. Is Bell Canada prepared to work with key public officials in appropriate levels of government who indicate an interest in the introduction of 911 emergency service?

   Yes. Bell Canada is prepared to begin working with the various municipalities and agencies who indicate an interest in planning for the introduction of the 911 emergency number. Telephone Company advice and assistance is available as required in establishing an emergency calling arrangement which effectively meets the needs of safety agencies organized to handle emergencies on a community basis from a common answering bureau.

4. What factors should be considered in planning for the introduction of 911 emergency service?

   As Company representatives begin working with the various agencies and municipalities in planning for this new emergency service, many factors which may influence the type of facilities provided, the method of operation and service dates must be taken into account. Some of the primary considerations are:

   1. the number and types of agencies to be served.

2. the number of exchanges or central office areas involved.

3. the method used by the bureau to answer and dispatch emergency calls.

4. the agencies' communications requirements for routine and administrative business.

5. To qualify for the 911 service offering must a minimum number of specific emergency agencies agree to co-operate in establishing a common answering arrangement?

Yes. As a minimum requirement, emergency calls for the local police, fire and ambulance services would be included in the basic 911 service requirement.

6. Would the central answering bureau be responsible for handling other emergency calls?

Yes. Additional emergency traffic such as medical assistance, poison control, rescue squads, etc., should also be handled through the central answering bureau. The bureau responsible for receiving 911 calls must be prepared to handle all emergency traffic from these services either by referral or transfer of the call.

The responsible agency should also agree to an appropriate method for handling any calls of non-participating agencies which may be misdirected to the 911 emergency number.

7. Are there any special considerations necessary as to what agency, office or public official has the authority to order a 911 service arrangement?

Yes. Since 911 service required the cooperation of the local agencies such as police, fire, ambulance and others who agree to participate, the primary customer is considered to be the local or community government itself. Therefore, authority to order the service will be considered to be the governmental offices with the overall responsibility for the emergency agencies which will be included, e. g. Mayors, City Manager, Directors of Public Safety. In some cases authority may be established by acts of legislation or by resolution.

8. In contacts with public officials and in public information programs, what are the basic points to be emphasized?

In contacts with public officials, representatives of emergency safety agencies and other interested parties, the following principles should be appropriately emphasized and demonstrated:

1. Bell Canada is interested in providing the public with the fastest and easiest way to call for help in an emergency.

2. A single, universal emergency number which provides direct access to an agency operated switchboard organized to handle emergencies on a community wide basis best meets this need.

3. Bell Canada is prepared to cooperate and work with the various safety agencies and municipal officials in planning for the establishment of 911 service.

4. Bell Canada will continue to provide "back up" emergency assistance through our highly trained operators just as we have always done.

9. Is there a charge to the calling party for calls to the 911 emergency number?

No. In case of public telephones, a coin is presently required to obtain dial tone to complete the call. The coin is returned on completion of the call. Ideally, public telephones should be equipped to operate without the requirement that a coin be necessary to activate the dial tone. However, further work in research, design and manufacture is required to enable us to modify the range of equipment we have in service. It is therefore unlikely that we will be in a position to make a significant start on the conversion program before the end of 1970. Over 50,000 public telephones are involved.

I understand, Mr. Speaker, that that research has largely been completed.

10. What is the Bell System position on 911 emergency service?

All Bell System companies are prepared to establish circuits that will bring 911 calls directly to a central emergency switchboard. The switchboard will be staffed and controlled by the local emergency agencies which will be responsible for making whatever response is required or appropriate to the calls. The 911 system will be supplementary to existing telephone systems and will not support either the individual telephone numbers of the various local agencies or the service of telephone company operators when they are called upon for help in an emergency.

[Mr. Hopkins.]

11. In communities where 911 service is not yet established will Bell Canada provide for operator handling of all misdirected 911 calls on an intercept basis?

It is anticipated that the need for special 911 intercept will probably vary considerably across our territory. In some locations there may be a need to provide for it while in other instances the requirements of the municipality may be adequately met through the use of the normal vacant or re-order tones. As cost considerations will be a major consideration in the final decision together with the local requirements that will exist, specific plans will have to be developed and tailored to meet local needs.

12. How many communication paths are required between the central office and the centralized answering position to establish a 911 community wide emergency system?

Pending the availability of local data, the number of communications paths or trunks required to initially provide 911 service will have to be determined in consultation with municipal representatives. This evaluation would give consideration to the present number of PBX trunks to police, fire, ambulance and other emergency agencies to expected emergency call volumes; to the time involved in handling typical calls; to delay at the bureau in speed of answer during peak periods, etc. Also, the municipal authorities may request separate groups of 911 trunks to assist in identifying sectors of the city placing calls.

Once the emergency bureau is activated there should be periodic review to assure that there are sufficient trunks terminating at the bureau so that on a day to day basis fully satisfactory service is provided at all times.

● (1730)

Will 911 service place an additional cost burden on public safety agencies?

No. Many communities are already equipped to expertly handle emergency calls from the public. The advent of 911 should not noticeably increase the volume of calls now coming in over 7-digit emergency numbers and from dial "O" for operator. Looking at the total community budgets it may be possible to save dollars by consolidating the answering functions. This has been the trend in industries that handle a large volume of calls from the general public, i.e. department stores, airlines and utility companies. Coupled with the trend toward centralization in the larger cities to accommodate more elaborate command and control systems it would be difficult to precisely evaluate the cost effect of 911.

If requested, will hold and trace or calling number identification features be available to a centralized emergency answering bureau?

Safety agencies do not now have the capability of holding on directly dialed incoming calls for tracing to determine the calling number; only calls routed through "O" Operator can be so held.

For the immediate furure, the capability to "hold" a connection to 911 for tracing is feasible . . .

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, whose allotted time has expired. He may continue with unanimous consent. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. W. Kenneth Robinson (Toronto-Lakeshore): Mr. Speaker, I am pleased to be able to take part in this debate this afternoon on private member's Bill C-255, introduced by the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds). This is indeed a unique opportunity, having just two months ago spoken on my Bill C-252, which is exactly the same.

Mr. Paproski: And your colleagues talked it out.

Mr. Robinson: Unfortunately at that time my bill was talked out, but this afternoon we are provided with another opportunity to see if we cannot make some progress in what I consider to be a very important area.

The fact that this exact same bill has been debated three times in less than three years underlines a very real concern which many hon. members have about the need for a universal emergency telephone number. I believe by now all hon. members are fully aware that it was the former member for Surrey-White Rock, Barry Mather, who originally introduced this proposed legislation.

When I spoke during second reading of my bill on this subject, I pointed out the progress which was already made in the implementation of the three digit 911 emergency number in North America. I mentioned that most of this progress has been made south of the border in the United States where there are now more than 900 911 systems ranging in size from 2,000 to 8 million telephones operating and serving an estimated 30 million people.

In Canada progress has been steady, but certainly not spectacular. Winnipeg became the first North American city, in 1959, to use a three digit emergency reporting system when it cut over to 999. Brandon also uses the 999 code, but both of these communities have plans under way to convert to 911, so I am advised. At present there are eight operational 911 systems in Canada, and I mentioned those in my previous remarks.

The advantages and values of a universal emergency telephone number have been pointed out already by the hon. member for Burnaby-Richmond-Delta and others during debate on my bill, Bill C-252. I see no point in taking the time of the House to repeat them; however, perhaps I could read a brief note I received from a constituent who wrote to me concerning my bill. I have received quite a bit of correspondence since I tried to get the bill through, and this is just a random sampling. I will be very brief; it is just a short quote. The letter says:

> I along with thousands of others, no doubt agree with this bill, and it is shameful that such necessary legislation gets kicked around by some incompetent members who have not the slightest idea of what this means or what it can afford to so many areas of this vast country. Give them—

The next word is hard to read; it starts with an H and ends with an l.

I also have an expert from the Canadian Chamber of Commerce annual statement of policy for 1971/72 which reads as follows:

> Universal Emergency Reporting Telephone Number
>
> Since the early 1960's there has been active awareness in many communities throughout Canada of the need for a universal emergency reporting telephone number system. Indeed, some cities (for example, Winnipeg) have instituted such a system. Recognizing that the development and adoption of such a system at a national or North American level has, as yet, many unresolved problems as well as considerable expense, it is believed, nevertheless, that the need justifies and warrants its development and adoption.

Accordingly there is a recommendation which follows from this in an excerpt from the Canadian Chamber of Commerce Annual statement, which reads as follows:

> That affiliated boards and chambers urge all authorities who have jurisdiction in this matter to implement a universal emergency reporting telephone number system, such as 911 on the local, national and North American level as soon as possible.

I believe both these statements, one from an ordinary citizen and one from a highly respected business organization, say a lot about the need for the type of legislation which both Bill C-252 and Bill C-255 propose.

It is important to note the attitude of the Canadian Telecommunications Carriers Association toward the 911 emergency telephone system, and I have here a copy of that association's position statement dated June 5, 1974. With the permission of hon. members I would like to read it, as follows:

> UNIVERSAL EMERGENCY NUMBER (911)
>
> 1. The telephone company members of the CTCA will work with any municipality or public safety agency within Canada that is interested in establishing a centralized emergency telephone reporting centre.
>
> 2. These member organizations believe that the development and improvement of emergency communications is in the public interest. For the sake of simplicity, effectiveness and uniformity in developing emergency reporting systems, the "911" service code is now being progressively reserved by Canadian telephone companies for this purpose.
>
> 3. These member organizations believe that the municipality or local agency must assume the responsibility of establishing and operating the centralized emergency system. The telephone companies would be prepared to assist the local agency with technical planning and would contract to carry out the engineering and installation of the required equipment and facilities.
>
> 4. Telephone company operators will continue to give assistance in placing emergency calls if the caller dials zero.

There are, no doubt, some real problems with regard to enacting Bill C-252 and Bill C-255. Perhaps the greatest of these problems is obtaining the necessary co-operation of the municipalities, which is basic if any universal emergency telephone number system is to be successful. However, I urge hon. members at least to agree to send the subject matter of this bill to committee for further study.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, when this bill was before parliament in the name of Mr. Barry Mather, the former member for Surrey-White Rock, we supported it. When it was before us in the name of the hon. member for Toronto-Lakeshore (Mr. Robinson), we supported it. Today when it is before us in the name of the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds)—

Mr. Guay (St. Boniface): You support it.

Mr. Stanfield: What about you, Joe?

An hon. Member: Joe is against everything.

Mr. Knowles (Winnipeg North Centre): —we support it. The former leader of the opposition has asked the hon. member for St. Boniface (Mr. Guay) where he stands. He seconded the bill when it was brought in by the hon. member for Toronto-Lakeshore, so that means he supports it, and I hope that means he will facilitate our getting either the bill or its subject matter to committee.

The very speech we heard today at some length from the hon. member for Renfrew North-Nipissing East (Mr. Hopkins) proved that there is enough material now available to provide for a good discussion of the matter in committee, and made it clear that that is what ought now to take place. I therefore urge hon. members to support the sugges-

tion which has already been made, that if we cannot give the bill second reading and send the bill itself, that at least we send the subject matter of the two bills to the appropriate standing committee.

● (1740)

Mr. Bob Brisco (Kootenay West): Mr. Speaker, I have no hesitation in endorsing the remarks of the hon. member for Winnipeg North Centre (Mr. Knowles) and also the remarks of the hon. member for Renfrew North-Nipissing East (Mr. Hopkins), as well as the remarks of the sponsor of the bill, the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds).

The hon. member for Renfrew North-Nipissing East expressed concern about the pay telephones that have to be engineered that do not necessarily require a coin but later in his address he seemed to realize that research on this aspect has already been done and such telephones exist.

Both the British Columbia Telephone Company and Bell Canada Limited have been mentioned. I would suggest that if B.C. Tel were interested in the implementation of the 911 number it should do something about providing pay telephones in the Okanagan Valley. Perhaps I am digressing by expressing the frustration experienced when trying to get through to an operator, or even to get a telephone to function in the Okanagan Valley. If I want to make a call from Grand Forks to Okanagan Falls it sometimes means I have to try four pay telephones before I find one that works.

Some members on the other side have expressed concern about the question of jurisdiction, and about whether a fire department can be co-ordinated with a police department that can be co-ordinated with an ambulance service. I do not think such concerns are valid as I believe the communities concerned are more than prepared to iron out any problems that might arise in this regard.

I hope that hon. members opposite will not feel that they should talk this bill out simply because it has been introduced by a member of the opposition who wants to get something done. It has been clearly demonstrated that the purpose of the bill is valid and Mother Bell, B.C. Tel, and other companies have shown that they are prepared to co-operate.

It is all very well to say that some companies are under the control of or are governed by provincial legislation. That is nothing new and there is, of course, always the opportunity to change existing provincial legislation. Ample precedents exist to demonstrate that this has been done before.

With the exception of a few members of this House who seem to have excellent recall, I suggest that most would find it difficult to recite the telephone number of the police department in their community or the number for the ambulance in their community.

Mr. Knowles (Winnipeg North Centre): In Winnipeg it is 999.

Mr. Brisco: The hon. member is lucky. I doubt if any members, unless 999 or 911 is the number in their area, could tell the numbers for the police department, the ambulance, and the fire department. In view of what has been said already in this debate, Mr. Speaker, I do not think there is any need for me to continue except to urge that the bill be moved to committee.

Mr. Roger Young (Niagara Falls): Mr. Speaker, I join this debate as one who is extremely interested in the whole area of the provision of emergency service to the public. If hon. members opposite will bear with me, I do not intend to prolong this debate but just to speak on general aspects of the matter.

I am extremely interested in how far we have come in the provision of emergency service in this country and in how far we have to go. Of course it is the latter question which is becoming more and more important.

I am a little sad, however, that in the sense of the management of the business of the House we find ourselves today debating exactly the same bill in exactly the same wording as was before us a few weeks ago. If we are to use our time wisely in private members' hour we should attempt to cover a new subject.

Mr. Brisco: If it is valid, why change it?

Mr. Young: Rather than have double debate on this particular point we should perhaps have expressed an opinion—

Mr. Knowles (Winnipeg North Centre): We should have passed the other one.

Mr. Young: The hon. member says we should just have passed the other bill—because he believes in it. But maybe some of us in this House wish to participate in the democratic process, and express a few comments on the bill.

Some hon. Members: Hear, hear!

Mr. Young: I am surprised—

An hon. Member: Are you not disappointed too?

Mr. Young: I am surprised that a member of the New Democratic Party who believes in freedom of speech should try to cut another member off.

Mr. Brisco: He would rather cut you up than cut you off.

Mr. Young: As I was saying, Mr. Speaker, we would be better off to cover some new subject. The hon. member for Burnaby-Richmond-Delta (Mr. Reynolds) explained his point in putting forward a similar bill and discussed whether the property was really his or was Mr. Mather's, or was even that of the hon. member for Toronto-Lakeshore (Mr. Robinson). If we stretch that point to its logical conclusion we could have 100 private members' bills which we could debate, day after day, but we would not then debate some of the other subjects we want to get at.

An hon. Member: It would be a great improvement.

Mr. Young: It has been demonstrated that there are still members in this House who wish to express an opinion. If some of them do not wish the bill to go to committee at this point, their opinion can be studied. Whatever we have done or do when debating private members' bills I think we

should cover a little more ground, and that is what I shall try to do in this area of emergency care.

Mr. Knowles (Winnipeg North Centre): All right. Now give us your opinion.

Mr. Young: Whatever we have been or are doing in this country through emergency service, much more is going to be done in the years ahead through the citizens' band radio broadcasting, through land mobile radio transmission, through transmission of medical data, and biotelemetry. If some hon. members are familiar with the American television program "Emergency" they will know what I am referring to. Our neighbours in the United States are far ahead of us in methods of transmitting information from the scene of an accident to the hospital.

An hon. Member: That has nothing to do with 911.

Mr. Young: It has a great deal to do with it. If the hon. member knew the whole coverage area of the emergency medical service he would know the object is to get the equipment out into the field and transmit the medical data from the accident scene. But before you get the equipment into the field you have to get hold of it. Some people have expressed reservations about 911. First, I submit, the equipment must be available in the field. We have not become involved in this area in a major way, although moves have been made in British Columbia and parts of southern Ontario to make transmission equipment available in the field. This type of equipment should have been available long ago and we are far behind in our efforts to secure it.

● (1750)

We ought to be far ahead of our present position with regard to radio frequency management; we are lagging far behind in efforts to delegate bands on the radio spectrum for emergency services and in allocating frequencies for emergency uses. Also, horrendous problems can arise by virtue of the many applications of users. These we should try to avoid.

If I may return to the original point I was making before being so well led astray by hon. members opposite, I wonder if this bill is not redundant and if parliament really has power to do what the bill would purport to do. I am of opinion that the bill is redundant as telephone companies have already indicated their willingness to design and instal those systems and co-operate with municipalities and provinces in doing so. There is some question in my mind. Suppose parliament passes this bill, I wonder if it could not be found ultra vires because it purports to govern all telephone companies in the country and, with the exception of Bell Canada and B.C. Telephone, the federal government has no authority over telephone companies. The other telephone companies are all subject to provincial legislation. I think it is open to question if you can enforce this as mandatory legislation governing all telephone companies.

An hon. Member: Question.

Mr. Young: This is a debatable matter, Sir, which will be decided one way or another shortly. Surely there is no question as to this bill being ultra vires in its broad scale application.

Let me say a word about the mechanics of the bill. The hon. member for Burnaby-Richmond-Delta suggests that all this could come under the National Transportation Act; but that act dealt with powers, duties, and functions.

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Turner): Order, please. The hon. member for Niagara Falls (Mr. Young) has the floor. I suggest that the House should give him a hearing.

Some hon. Members: Hear, hear!

Mr. Young: In the light of the new and comprehensive telecommunications legislation which it is expected will authorize the governor in council to issue directives to regulatory bodies, I submit that this kind of legislation will not be necessary. There will be authority to issue directives which will coax, as it were, the telecommunications industry to provide the type of service contemplated in this bill.

I now return to the point raised by the hon. member for Kootenay West (Mr. Brisco). I do not disagree with the provision of the 911 telephone service. I know that there would not be any great technical difficulty in providing it and that the telephone companies have shown their willingness to design and instal such a system. The difficulty will be administrative. I tell hon. members that various people in the country have brought to my attention their concerns and doubts on this question. Some disagree with the installation of the 911 system. To my knowledge not everyone is in agreement with installing such a system. First we must consider questions such as manpower, staffing the central agencies which will administer the 911 system, training people in the proper operation of the system, and cost. Those questions are relevant in these times of restraint.

There is another difficulty which I think no one has mentioned, the difficulty of mistaken directions being given from a centrally administered system. For instance, in some areas cities and towns have grown up close to one another and, through accidents of history, districts and streets in different towns bear the same names. Bear in mind the difficulty which could arise. The people sitting at the central desk must give precise directions to field units. They must tell them precisely where to go. If, in two or three neighbouring towns, you have streets or neighbourhoods known by similar names, you run the great risk of sending the fire truck or ambulance to the wrong street in the wrong town. Such mistakes can be serious because you could lose an hour, whereas local units would know exactly where to go.

I have heard no one talk of volunteer services, volunteer fire companies and volunteer emergency service brigades which now serve in local areas but are not professional. People in these organizations do this work in their own time. Can people in small towns afford to pay for a central service, or are you to impose it on them? Are you going to cut off all the local volunteers and ignore their initiative? This work is important to them. I know of local volunteer fire companies which can respond to a fire in a nearby area

in one minute 30 seconds. If you are to use the 911 system you will phone into the central agency, which will redirect your message to a field unit, and it is possible that the central agency will waste five minutes in trying to tell the fire truck from the neighbouring community where to go in an area it does not usually cover.

As I said, we must consider the question of financing and the acceptance by municipalities, especially smaller ones served by volunteer groups. I am referring to smaller municipalities which feel that if you impose this sort of system they will lose the services of a volunteer group, that it will take more time to respond to calls, and that the benefits of local knowledge and service will be lost.

In looking over some notes for this debate—

An hon. Member: Which civil servant gave you those notes?

Mr. Young: No civil servant gave me these notes, as an hon. member opposite alleges. I consulted copies of *Hansard* and read debates which took place in 1973 and 1974. Some excellent speeches were made in the past and cogent points were raised. I will not read from those speeches, although if I wanted to use up time I could. Some excellent suggestions were put forward.

Mr. Flynn: Mr. Speaker, I rise on a point of order. As one who comes from a 911 area, who supports this bill and the position put forward by people like Barry Mather, the former NDP member, and the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds), I should like to know if we are to be given an opportunity to discuss this bill. The inherent value of this bill ought to be obvious as the 911 service is already being used in nine or ten Canadian communities. In the case of Kitchener-Waterloo, despite what the hon. member for Niagara Falls (Mr. Young) suggests—

The Acting Speaker (Mr. Turner): I suggest that is a point of debate, not a point of order.

Mr. Stanfield: Question.

Mr. Knowles (Winnipeg North Centre): Question.

Mr. Young: I want to assure my friend and colleague that I was not challenging the system. I see that it is six o'clock. May I call it six o'clock, Mr. Speaker?

The Acting Speaker (Mr. Turner): Order please. The hour set aside for the consideration of private members' hour having ended, I now leave the chair until eight o'clock p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Speaker: Pursuant to order made earlier this day, the House will now revert to Routine Proceedings, specifically to the tabling of documents and statements by ministers in order to permit the Minister of Energy, Mines and Resources (Mr. Gillespie) to table documents and make a statement.

ROUTINE PROCEEDINGS

[*English*]

ENERGY

SETTING OF PRICES FOR OIL AND GAS

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, the government has today reached certain major decisions concerning crude oil and natural gas prices and I wish to communicate them to the House.

The current arrangements for oil and gas pricing expire on June 30. For some months past the government has been in the process of discussion and negotiation with provincial governments, seeking to reach agreement on the prices which should prevail under new arrangements to come into effect on July 1. Among the various efforts to reach agreement have been the federal-provincial conferences on energy on December 12 and March 5, the meeting of first ministers on May 6, and numerous bilateral contacts at ministerial and first ministers level.

Since the meeting of May 6 the Prime Minister (Mr. Trudeau) has spoken personally with nine of the premiers and with the deputy premier of Saskatchewan. The announcements I am about to make are in large measure the result of these intergovernmental efforts to find the best possible solution.

As hon. members are aware, the single price for crude oil in Canada has, since last July, been held at $8 per barrel. This is about $4.50 below the international price which now prevails. As I said in the House on April 27 when I tabled the document "An Energy Strategy for Canada—Policies for Self-Reliance", Canada has been more fortunate than most countries. Because we have domestic reserves we have been able to cushion the effects of higher international prices. However, as I also pointed out, our reserves of oil and natural gas are declining and we now import more crude oil than we sell abroad. Finding and developing new reserves will cost far more than in the past, and we will have to pay higher prices now to bring about the exploration necessary to achieve self-reliance in the future.

At the energy ministers conference in March I suggested that the lowest increase in crude oil prices that could be considered would be $1.05. That is the amount by which international prices rose last year, and an increase of that amount in Canada is needed simply to restore the differential between Canadian and international prices which had been worked out and agreed upon by the Government of Canada and the producing provinces a year ago. But I also suggested that an upper limit be set, of not more than a $2 increase, bearing in mind the effects any increase has on inflation and on the capacity of Canadian industry to compete in world markets. Within that range from $1.05 to $2 I stressed the continuing policy of the government that the Canadian price must over time move toward interna-

tional prices if our long-term energy objectives are to be met.

In the discussions with the provinces it has been natural for the producing provinces, which own the resources, to press for higher prices for oil and gas to ensure themselves the best possible revenues to compensate them for the loss of their depleting assets. At the same time they have recognized the effects of price increases on the economy of all of Canada.

Governments of consuming provinces have, naturally, been mindful of the effects the price increases would have on their consumers. At the same time they have had to consider the claims of producing provinces for recognition of their rights as owners of the oil and gas. The Government of Canada has had to keep all of these factors in mind, and particularly that most difficult dilemma, the fact that price increases in these major commodities would add to inflation but, at the same time, the fact that if we did not increase prices we would be jeopardizing our future energy supply.

In the light of all these considerations, the government has now reached the following conclusions: first, there should be a standard "freeze" period on petroleum product prices of 60 days across Canada which would run from the date of any increase in crude oil at the well-head. Prices to consumers would not, therefore, rise until 60 days from the date of the authorized increase in the prices producers receive for crude oil.

Second, the price of crude oil in Canada should rise by $1.05, that is to say, from $8 to $9.05 on July 1, 1976, and by a further 70 cents to $9.75 on January 1, 1977. Consumers would not begin to feel the effects until after 60 days from these dates.

Third, the price of natural gas should rise by 15.5 cents at city gate Toronto, that is, from $1.25 to $1.40.5 per million B.T.U's on July 1, 1976, and by a further ten cents to $1.50.5 on January 1, 1977. I should note that with these price increases natural gas will continue for an additional year to retain its approximate 85 per cent commodity price relationship with crude oil.

Fourth, export prices on natural gas will also increase. The government is now reviewing a report on this subject from the National Energy Board and is discussing the situation with representatives of the government of the United States. We hope to be able to make an announcement concerning the amount and timing of the increase within a month. For the three producing provinces, Alberta, Saskatchewan and British Columbia, we think we can get agreement but will have to await their response. That response may well be influenced by the conclusions which are reached in the next few weeks concerning export prices. The decisions I have just reported to the House would seem likely to carry with them, therefore the acceptance not only of the federal government but of the majority of producing and consuming provinces in Canada.

● (2010)

In making this announcement I would like to confirm that despite differing views among the provinces as to the ideal "freeze" period, all have accepted the 60-day period that will now be adopted in connection with the coming increases.

Oil and Gas Prices

On the vital question of oil and gas prices, we do not have full agreement between all governments across Canada. A few provinces cannot bring themselves to acknowledge the need for these higher prices but we believe, based on our discussions, that a good majority will do so.

Some hon. Members: Hear, hear!

Mr. James Gillies (Don Valley): Mr. Speaker, I thank the hon. gentleman for his statement on oil pricing. It comes as a result of a great deal of discussion and argument between producers and consumers and there is little doubt as to the winner of that particular debate for it is apparent that, having obtained the $9.75 price per barrel this year, the government will go on to the $13 barrel in a very short space of time, with related increases in the price of natural gas in both the domestic and export markets.

First, let there be no question that this is one increase of $1.75, not two smaller increases, as far as the inflationary impact is concerned. At a time when wages and salaries are being held back it will be hard to justify what is in reality an arbitrary price increase to the Canadian public. To people locked into existing patterns of energy consumption, often through no fault of their own, it will be a bitter pill to swallow.

The problems faced by many who live in Atlantic Canada are especially germaine. In Nova Scotia for example, electricity prices have gone up during the past year by rates in the order of 70 to 80 per cent. Another 10-20 per cent is sure to cause hardship. No one denies the need to help people locked into this crushing spiral except the Minister of Energy, Mines and Resources (Mr. Gillespie). Today he has followed up his now notorious statement of May 4 with yet another blow to their well being. Let us hope the Minister of Finance (Mr. Macdonald) in his budget next week recognizes their problem by introducing meaningful tax relief for low income groups, or some other type of special compensation.

It has become clear with the release of the energy strategy document that the government has only one energy policy, and that is price. There is no real policy on energy conservation. There is no real policy on the development of renewable resources of energy. There is no real policy of federal-provincial energy relations—this unilateral increase demonstrates that in no uncertain fashion.

Since the price is to rise, it must be to increase revenues flowing to exploration. The record shows that in the past this has not happened. Between March, 1974, and November, 1974, the price rose by $2.70 cents; the industry share decreased by 8c. Between November, 1974, and the present day the price rose by another $1.50; the industry share rose by 43 cents. The rest went in tax, which today accounts for two thirds of the price of domestic oil.

The fact is that the government's pricing of oil, outside as it is of any coherent energy policy, has nothing to do with energy—only with increasing the federal government tax take. The tragedy which faces all the people of Canada who are now locked into an outdated, punitive, ill advised process is that the government has yet to recognize that it is the rate of return on investment—not prices—which is critical for the generation of oil exploration in this nation.

Filling the coffers of a profligate government surely ought not to be the cornerstone of a rational energy policy.

The Minister has said that if exploration proceeds according to plan 50 cents of each dollar increase will go to the development of our energy reserves. If the energy strategy is not to become just one more piece of dubious government optimism it may well have to cede a greater part of its oil revenue to the producers.

We in the opposition cannot accurately judge the efficacy of this latest move in the absence of the information available to the planners at the Department of Energy, Mines and Resources. Is the hon. gentleman prepared to release the data behind his projected exploration cash requirement? Will he explain the macro-economic impact of his proposed hike and let us know the current estimated cost of developing all frontier energy resources? Will he inform us as to the effect of a price hike in qualitative terms on energy conservation?

In addition, we must have detailed information about the price freeze which the government intends to impose. In the so-called energy strategy document, a number of freezes on product prices are discussed. The government's own recommendation was for 45 days; the commissioners of the province of Ontario recommended 30 and 40 days during the last price hike. Why is 60 days now suggested?

Once again Canadians are treated to an ad hoc, uncorrelated statement on energy. The credibility of the government in this field when judged by almost every standard seemed to reach an all-time low when a former minister of energy, mines and resources stated in a famous speech at Denver, Colorado, a few years ago that Canada had enough oil to last for centuries. The present minister, with his recent statement on energy strategy and his inability to work out an integrated energy program with the provinces, is surely challenging his predecessor's record of ineptitude.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, ever since the Minister of Energy, Mines and Resources (Mr. Gillespie) announced that it was the government's intention to move toward the world price of oil the public of Canada have been expecting there would be periodic increases. However, a punch in the jaw does not hurt any less simply because one has seen it coming. One of those blows was struck tonight in the announcement the minister has just made increasing the price by $1.75 a barrel.

The two increases, which must be taken together, represent a very serious imposition on Canadian consumers. The higher price means that those who are driving cars will have to pay an additional 5 cents a gallon. Of course this could be offset if the government were prepared to cancel its 10 cents a gallon excise tax when the budget comes down. But assuming the government is not in such a generous mood, this increase of 5 cents a gallon will mean an extra $40 or $50 a year for the average family.

The increase in the price of natural gas is to be 25 cents per thousand cubic feet which, if one is heating a home with gas, represents some $43 or $44 a year in additional cost, and about $42 per year if one is heating a home with oil.

The impact of the increase in the price of oil alone will add to the burden on Canadian consumers to the extent of some $1,300,000,000 a year, and the increase in the price of natural gas will create a substantial additional burden.

[Mr. Gillies.]

● (2020)

These increases that the minister has just announced will boost the consumer price index in Canada by at least two percentage points. At a time when the cost of living is still rising, when the workers of this country are being urged to exercise restraint, I would ask the House how long the people of Canada can be expected to accept this growing acceleration in the cost of operating their cars, heating their homes, operating their farm machinery, and running their fishing boats. This is particularly so today when the government is seeking to hold down the incomes of the working people.

One must recognize that with our diminishing supply of oil and gas resources it is necessary to face the fact that prices must move upwards. On behalf of the New Democratic Party may I say we see no justification at all for any increase in the price of oil and gas unless there is an iron clad assurance that the increased revenue will go into exploration for oil and gas in order to assure the Canadian public of supplies of these commodities in the future. To date the government has given no such iron clad guarantee.

Every time that the minister and any of his colleagues make a speech about the necessity for increasing the price of oil and natural gas, they put forth the argument that the oil industry must have an increased cash flow. In other words what they are saying is that the consumer must not only pay for the barrel of oil that he or she buys, but must also put up the money to find another barrel of oil or gas to take its place. This is what I have characterized as the "pay now and then pay later" syndrome.

I think the Canadian people would understand and accept the argument that it is necessary to increase the price of oil in this country so as to accumulate the necessary capital to find more oil, provided they could be assured, first of all, that this money would be used to find oil, and secondly, that when oil was found they would be able to buy it at reasonable prices, not at whatever price the oil cartel chooses to charge them. The fact is, of course, that there has been no such assurance. In the last three and a half to four years the price of oil has moved steadily from $2.75 a barrel to $8, not so much because the cost of production has gone up but because it has been argued that the oil companies needed the additional money to do exploration work.

What are the facts, Mr. Speaker? The facts are that the amount of money spent on exploration as a percentage of the oil companies' earnings has declined, not increased. At the present time any increase in the price of oil will go to the treasuries of provincial and federal governments and to the oil industry. There is no guarantee that either levels of government, federal or provincial, or the oil industry will use this $1.75 a barrel increase on oil exploration—which is the only justification there can be for increasing the price.

The members of this party have been arguing, as has the government of the province of Saskatchewan, that any increase in the price of oil should be put into a national resources fund. This money will go to the oil companies, as

well as into the federal and provincial treasuries, whereas the entire $1.75 a barrel and any other increases that follow should go into a national resources fund. The money could then be paid out to those oil companies that actually do some exploration. Money could also be made available to provincial governments that are prepared to use a government agency to do exploration and development. It could also be used to finance Petro-Canada to do a genuine job of exploration and development in Canada, so that the people of Canada might own an oil company that will explore for and produce oil at a reasonable figure, instead of being held up, as they have been for all the years that most of us can remember, by the international oil cartel.

We therefore regret that the government has decided to raise the price of oil in two jumps to $9.75 a barrel without bringing in any program whatever to assure Canadian consumers that the additional $1.3 billion that is going to be taken out of their pockets will be used to find oil for the years ahead. Unless the government is prepared to take steps to assure the Canadian people that the extra revenue that they will have to put up is going to be used for exploration and development, I think the Canadian people will look upon this increase as just another attempt at the kind of rip-off that we have ever since the price of oil has gone from $3 to $8 a barrel.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, before opening my remarks on the minister's statement, I would like to emphasize a point that we have made many times but which does not seem conducive to tangible results. I think it should be realized once and for all that we are fed up with playing second fiddle, which means that when a minister has a statement to make, he should have the decency to table copies of it in both French and English, simultaneously. The excuses which are regularly presented are nothing more than a balm poured into a wound which keeps being inflicted on us. This being said, Mr. Speaker, we hope the matter is stettled. To come back to the declaration as such, let me first state that we are not sure of the provinces' response to the government's decision.

I say this because a direct agreement among the provinces might be a better answer than this unilateral decision made by the minister.

I also wish to mention the very important and very surprising contradiction in the attempt made to justify higher oil prices. They justify this increase by saying it is to avoid a shortage, to encourage a continuing oil production.

Mr. Speaker, let them explain how rising oil prices will increase our supplies. I do not dig it. This phenomenon should be explained to us once for all. I should like to understand. How does a higher price for a barrel of oil increase the oil energy potential in Canada? I wish to get a good explanation because, as the previous speaker just said, every oil company in Canada spends—and always did—a good part of its revenue for the discovery of new fields and new wells. It is something normal. We do not have to supplement their effort in that field. If they do not do it, they do not perform their duty.

But we agree to help in some ways to encourage exploration. However, Mr. Speaker, I think they are going too far when they try to convince us that Canadians ought to pay more if we are to increase our oil supplies. It is inaccurate. It is absolutely wrong. And furthermore each time we talk about energy we are told that oil and natural gas supplies are diminishing. If it is true will it be different with an oil price increase? I ask for proof. And the fact is that we now import more crude oil than we sell to foreign countries.

It is always ridiculous when a government, a minister tells us at the same time that our oil supplies are dwindling and that we are selling oil abroad. It is stupid. Our reserves are declining and to develop them, we have to pay a higher price for a barrel of oil. We wonder how this can happen, but indeed, this is what the minister tells us.

And moreover, we import more oil than we sell. But how stupid and ridiculous it is to go on selling if our reserves are running out; the government should have stopped long ago selling oil to foreign countries, with the threat of a shortage of oil in its own country. There are discrepancies that must be rectified. When the minister says, at page 3 of the declaration I have before me:

> ... the Canadian price must over time move towards international prices if our long-term energy objectives are to be met.

What a pity! If those are long term objectives we want to achieve, that is, bring by miracle or whatever means more oil than we now have in Canada through our own natural resources, then once again we have to know exactly what this means. We are therefore against purely artificial increases, just for the sake of increasing, on the grounds that this will bring more oil into Canada.

We do not accept that. We would like to have a lot more details. We are in favour of producing provinces having a more adequate, greater income. But then I say it is a lot less the role of the federal government than of the provinces among themselves. Let there be agreements between Quebec, for example, and Alberta for the purchase of items Quebec needs, let the two provinces do it directly at a mutually agreed price.

I think that would be more normal than the intermediary role set for the federal government, particularly when one thinks about the arguments put forward, stupid arguments, saying we are going to save our oil by raising prices, saying there is a shortage which will disappear if the price is increased. That, Mr. Speaker, we are not prepared to accept. We will have to be given a little more scientific and truer arguments to believe that. In the meantime, we are quite simply opposed to any artificial increase in prices.

If Canada can have energy at a cheaper price than elsewhere it is up to us to avail ourselves of that opportunity, to glorify Providence for it and not run after an escalation in prices on the pretence of reaching international prices. We must be mature and adult enough to act responsibly, even if the Constitution is still in London.

● (2030)

[*English*]

Mr. Andre: Mr. Speaker, I have a question for the minister relating to a sentence which appears on page five of his short statement, which is:

> For the three producing provinces, Alberta, Saskatchewan and Alberta, we think we can get agreement but will have to await their response.

The minister seems to indicate that in fact these provinces have not agreed to this price increase régime. Could the minister verify whether that in fact is the intent of that statement? Have they not agreed? Possibly he could enlighten the House as well as to the nature of the disagreement?

Mr. Gillespie: Mr. Speaker, I think all I can say at the present time is what I have said in my statement. They are reserving their opinions. We expect to receive their response shortly. It may be their response will be conditioned by their anticipation of the price on the export of natural gas, but it is their move next.

Mr. Andre: Mr. Speaker, I regret I do not have the act here as I cannot recall the exact clause, but the Petroleum Administration Act provides for federal government agreement with the producing provinces in respect of the introduction of an increased petroleum price régime across Canada, and only when such agreement cannot be arrived at does the act provide the latitude for the federal government unilaterally to set a new régime. Therefore I wonder under what basis the minister is making this statement tonight. Is it simply a proposition he is laying before the House which has yet to be negotiated with the producing provinces, or is it a new funny kind of negotiation, citing this as the federal position, like it or lump it; if you agree, fine we will do it under clause "B", but if you do not then we will impose it under clause "C"? Could the minister possibly straighten me out if my reasoning is incorrect in this regard?

Mr. Gillespie: Mr. Speaker, as I indicated, there has been a great deal of negotiation and discussion with the consuming and producing provinces. We believe the decision the federal government has taken in respect of price to be a decision which meets the test of a reasonable price, and we expect agreement from the producing provinces. We cannot say categorically at this moment that we have it. On the assumption that we do not get it, clearly the avenue open to the federal government will be the use of the Petroleum Administration Act.

Mr. Lawrence: Mr. Speaker, my question is supplementary and again it is in relation to the question of agreement or non-agreement of the provinces. I do not have the minister's statement in black and white before me, but I was listening fairly carefully and I thought he indicated that a majority of the provinces had agreed to the statement he made tonight. If we have three of the producing provinces which have not yet agreed, and I assume we have two or perhaps even three of the major consuming provinces which have not agreed—I assume I am correct in that and I would appreciate the minister correcting me if I am wrong—then how many provinces does the minister believe exist in this country of ours?

Mr. Gillespie: Mr. Speaker, I have indicated my belief that a good majority of the provinces support the increase I have announced tonight. I have good reason to believe that is their position.

Mr. Stanfield: Mr. Speaker, I should like to ask the minister whether he is now in a position to put before the House, or table at a convenient time, the proposition put before the Government of Canada by the government of Nova Scotia with regard to oil prices and their relationship to the generation of electric power in that province? I ask this question because this increase in the price of oil which has been announced by the minister tonight will obviously be a matter of concern to the government and the people of Nova Scotia.

Mr. Gillespie: Mr. Speaker, the hon. member asked me a question a short while ago in the House about tabling the proposal from the province of Nova Scotia. My office checked with the office of the Premier of Nova Scotia seeking permission to make the proposal public. I did indicate, as he may recall, that we would have no objection that I could see. The response we received back from his office was that it was a confidential document and should be so regarded at the present time.

● (2040)

Mr. Woolliams: Mr. Speaker, I should like to ask the minister, with brevity, a question in two parts. Does the United States pay the world price for exports from Canada to the United States and, if so, where does the money represented by the differential between $9.75 and the world price go; is it used to subsidize the provinces now forced to buy offshore oil at the world price?

Mr. Gillespie: Mr. Speaker, the United States does pay the world price determined by the National Energy Board as a just and reasonable price. The differential between the Canadian wellhead price plus transportation to the border and a just and reasonable price identified as the world price in the United States market is the export charge. That amount is allocated notionally toward the cushion used to subsidize the consumers of imported oil in eastern Canada.

Perhaps I might take this opportunity to reassure members who make comparisons between Canadian and American prices and assume that these new prices will put Canadian industry at some disadvantage vis-à-vis the United States. I can assure hon. members that the increase, that is to say $1.05 on July 1 and the additional 70 cents on January 1 next year, will ensure that Canadians will not only be paying a lower price than the industrialized countries in the world but it will be significantly below the United States price as well. It will be roughly on average $1 lower than the United States price during that same period.

Mr. Woolliams: Well, Mr. Speaker, I wonder whether the minister could tell us if that money is used to subsidize the consumers in eastern Canada, which is a very small part of Ontario, Quebec, and the maritimes. How much a gallon is paid as a subsidy to the consumer and how is it determined? This is wishy-washy. The minister says it is substantial but we do not know the amount to the consumer.

Mr. Gillespie: Mr. Speaker, if the hon. member would do his homework he would very quickly find the answer. The hon. member should know that the export charge just about balances in number the cushion which has been running at around $4.60 per barrel. That is the situation. The excise tax which was referred to by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) is used

to make up the additional amount of money which is required to provide that cushion. We are importing more than we are exporting. The point is that by the middle of this year we will have provided the Atlantic provinces of Canada with just about $1 billion in the form of a subsidy to cushion them against the very much higher international prices. The consumers in Atlantic Canada will have lower prices for their oil than consumers anywhere among the industrialized nations of the world.

Mr. Stanfield: I have a supplementary question, Mr. Speaker. Will the minister from Ontario not agree that the people of Ontario are getting rather similar prices to those for the people from the Atlantic provinces, and while the machinery is provided to subsidize the price in the Atlantic provinces it comes to the taxpayer while in the case of the people of Ontario it is in the form of a controlled price? Is the minister suggesting that the people of the Atlantic provinces are getting any more benefit per capita than the people of Ontario, whom he represents?

Mr. Gillespie: Mr. Speaker, I think people all the way across Canada are getting the benefit of the government's policy. I think it is very important to emphasize that point. I believe it is important that the consumers in Atlantic Canada understand this, because I do not think that the opposition members have been telling them they are receiving a subsidy which enables them to enjoy a price significantly below the world price.

Mr. Gilbert: Mr. Speaker, I should like to ask the minister what will be the division of the $1.75 between federal government, the provincial governments, and the oil companies. The second question is: what commitment or what assurance, if any, has the minister that the oil companies will use their portion for purposes of exploration in Canada?

Mr. Gillespie: Mr. Speaker, in respect of the first question concerning the division of the proceeds of the incremental increase I would draw the hon. member's attention to "An Energy Strategy for Canada—Policies for Self-Reliance." He would find in that document a good run-down. It has just come to my attention that the page reference is page 36. The important point here is that the federal government tax system is keyed to an incentive for exploration.

If the producers do not re-invest at all the company share would be roughly 25 per cent of the increase while the federal government's share would be 27 per cent of the increase and the provincial government's share would 48.4 per cent. That is on page 36, figure 2. If they, for their own interest in order to minimize the tax bite, increase exploration and development by reinvesting 50 per cent of that dollar, the federal government would give up virtually all its tax take, that is to say, it would reduce its tax take to 3 per cent, and the provinces' share would be 44 per cent. The point I want to make is that when hon. members opposite accuse the federal government of putting through an increase so that the federal government can increase its share of the tax take, they really have not done their homework.

If they look at the system they will realize there is a very substantial incentive for re-investment in exploration and development, and quite clearly that is why we are supporting the increase in order to bring forth further supplies for Canada. Hon. members know they are declining. Unless we have additional exploration and development we will not get those new supplies.

In the second part of his question the hon. member asked how we can be sure that these moneys in fact are being re-invested, and what proportion will be re-invested. My answer to him is, as I stated on another occasion, that we will be introducing legislation in the next session of parliament to make it mandatory for the oil and gas producers to declare specifically what their cash flows are, and what proportion of them are in fact being devoted to exploration and development in Canada.

● (2050)

Mr. Gilbert: The formula is so complex that the minister has to read it from the book. I do not know how the Canadian public can understand the operation of the formula if the minister cannot explain it without having to read it from the book. However, I wonder what measures the minister intends to take with regard to cushioning the increase of prices which, as set forth by the hon. member from my party, would result in a 2 per cent increase in the cost of living index. What steps does the minister intend to take to cushion that increase with regard to the people of the different provinces?

Mr. Gillespie: The point I thought I had made when I announced the price earlier was that we have tried to balance a number of different interests. We have tried to balance the interests of consumers all across Canada in terms of the effects of inflation. We have tried to balance the legitimate interests of the producing provinces which say they have a depleting resource and that they should be able to receive a fair return for that depleting resource, which is now being sold substantially below international prices. We have tried to balance those two things with the need to increase the price to provide incentives and a cash flow for additional exploration and development in Canada which, in my view, and in the view of the government, Canada so desperately needs in the years to come. That is the balancing act.

I think the hon. member will appreciate that the way this price increase has been structured—that is to say, the minimal increase of $1.05, which puts us in the same position, in terms of the differential, as we were in a year ago—does not close the gap on July 1. It brings us back to where we were a year ago. We delay the increase on the balance until January. Surely the hon. member can appreciate that this is an effort on the part of the government to try to moderate the effects of the increase on the CPI.

One further point I might make is that the critic of the hon. member's party rather overstated the effect on the CPI by, I would say, a significant amount.

Mr. Knowles (Winnipeg North Centre): We'll see.

Mr. Gillespie: It will be significantly below 2 per cent over the period we are talking about.

Mr. Gilbert: A final supplementary, Mr. Speaker—

Mr. Speaker: I propose to grant the hon. member for Broadview (Mr. Gilbert) a final supplementary and then conclude the questioning by recognizing those who have

been attempting to seek the floor from the very beginning—the hon. member for Richmond (Mr. Beaudoin), then the hon. member for Davenport (Mr. Caccia), the hon. member for Calgary South (Mr. Bawden), the hon. member for South Shore (Mr. Crouse), the hon. member for Battle River (Mr. Malone), and then the hon. member for Peel-Dufferin-Simcoe (Mr. Milne).

Mr. Gilbert: I would like to ask the minister what special measures the government is going to take to help people on fixed and low incomes with regard to the impact of the increases, because they will be hit hardest. Just what special measures is the minister going to take?

Mr. Gillespie: I have already indicated that the government's approach is to move forward in as slow and as measured a way as we can. We will continue the cushion—that is to say, the export charge and the excise tax on the one hand and the compensation funds on the other—so that Canadians will be able to continue to enjoy prices which are significantly below world prices.

[*Translation*]

Mr. Beaudoin: Mr. Speaker, will the minister say to the House whether the government has considered establishing two prices, one for domestic consumption and one for exportation, given the fact that Canadians know there will be oil operations in this country for some years to come, and given the fact that people who buy and sell stock are largely responsible for having given the corporations still in business the means to discover and prospect for new oil reserves?

[*English*]

Mr. Gillespie: We do, of course, have such a system. The domestic wellhead price of oil on July 1 will be $9.05. We will be selling our oil on the export markets at the international price, whatever that international price may be. At the present time it is delivered to the east coast and into the United States market in the order of about $13, so we do in fact have a two price system, that is to say, a lower price for Canadians, and we are enjoying the higher price in the export market.

Mr. Caccia: Mr. Speaker, my question to the minister is this: in view of claims that oil companies have requested and obtained the price increase announced this evening, could the minister indicate whether the request for a price increase came from the producing provinces only, or whether the oil companies also demanded the price increase which was announced?

Mr. Gillespie: I do not think the oil companies are in any position to demand any increase in price. I think that some of the oil company presidents might have indicated in their annual reports that it would be a useful move on the part of the government from the point of view of exploration and development, but quite clearly the only major push for a higher price came from the producing provinces. I think hon. members know that when I met with the producing provinces in March, they asked for $2 more per barrel for crude oil, and the whole discussion and negotiations have been to try to work out a price which would catch the Canadian position up vis-à-vis the international price in a way which would be acceptable to the producing provinces which own the resources on the one hand, balanced with the interests of consumers all across Canada. That price would also be balanced, of course, from the point of view of the generation of funds needed for new exploration and development in Canada.

Mr. Crouse: Mr. Speaker, I have two questions. On page 1 of his announcement the minister stated the following, "Among the various efforts to reach agreement have been the federal-provincial conferences of energy on December 12 and March 5, the meeting of first ministers on May 6 and numerous bilateral contacts at ministerial" and first ministers level". My first question on that point is, how many of the provinces are in agreement with the announcement the minister made tonight, and which ones are they?

My second question relates to page 2 of his announcement where the minister states, "In the discussions with the provinces, it has been natural for the producing provinces, which own the resources, to press for higher prices for oil and gas to ensure themselves the best possible revenues to compensate them for the loss of their depleting assets". In view of the fact that some oil companies have avoided Atlantic Canada as a source of exploration potential because of uncertainty in federal-provincial legislation, is there any indication that the dispute involving the Atlantic provinces, namely, Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland, will soon be settled so that action can be taken by the oil companies to get on with exploration activities, which hopefully will lead to oil and gas discoveries and which will be beneficial to Atlantic Canada, where the ocean and its resources are the birthright and the heritage of the people residing in this area?

Mr. Gillespie: I am sure the hon. member will appreciate it when I tell him that I am not in a position to identify the particular provinces which favoured the increase and those which were opposed to it.

Some hon. Members: Why?

Mr. Epp: Come on, gutsy Gillespie.

Mr. Gillespie: If the hon. member would reflect a moment he would realize that these discussions took place on a confidential and private basis between first ministers. I am not in a position to divulge their names, but I can assure the hon. member that, in the words I used in my announcement, there is a good majority which we have reason to believe will accept these higher prices.

As to the second point raised by the hon. member, the question of reaching agreement with the Atlantic provinces on the exploration and development of the offshore resources of Atlantic Canada, I can tell him that I am more hopeful now than I was, quite frankly, six months ago. I have had discussions with the Premier of Newfoundland and my officials have had discussions with officials from the maritime provinces as recently as last week. It appears we may be able to come to an understanding with respect to a federal-provincial arrangement for the administration and sharing of the revenues from the resources found off

the east coast. I sincerely hope we can move that forward expeditiously. It is a very important priority of this government.

● (2100)

I hope we will be able to work with the provinces with respect to the development of hydro-electric energy and its distribution, as well as other forms of electrical generation in the Atlantic provinces, to help put them on a much sounder footing in the future.

Mr. Crouse: Mr. Speaker, the minister forgot to answer my first question. I asked how many of the provinces have accepted. I should like to know the names of the provinces and how many of them have accepted the proposals he made in his announcement.

An hon. Member: Two.

Mr. Gillespie: Mr. Speaker, I have indicated that it was a good majority, which means something over six.

Mr. Bawden: Mr. Speaker, in his usual fashion the minister has skated around questions put by members on this side of the House. I should like to ask him for some precise information. He spoke about all the time that has been taken to arrive at these conclusions. Surely tonight he can tell the House precisely how much of the total of $1.75 per barrel that oil is to be increased by the end of this year will go to government and how much to industry? Precisely how much is going to industry, and thus to added exploration? Perhaps at the same time he will explain whether this will provide the necessary "cash flows", as he calls them, that are desperately needed now? Will this increase achieve his goals?

Can the minister also tell the House whether foreign capital will still be required and to what extent will it be important in his capital projections for the future supply about which he is so desperate?

Mr. Gillespie: Mr. Speaker, I cannot give the hon. member a precise number. I am sure he will understand that as I believe he is one of the better informed members.

Mr. Bawden: You worked that out ahead of time, surely?

Mr. Gillespie: The hon. member will recognize that three different tax regimes are involved. Saskatchewan is different from Alberta, and so is British Columbia. There are three different types of royalty systems. There is also the difference between Crown lands, Crown reserves, and freehold land. There is the difference between old gas and new gas.

Mr. Lawrence: He understands that you cannot answer the question.

Mr. Gillespie: I am sure he understands there are quite a number of such areas, even though some of his associates do not. I am therefore forced to give him an average, and that is what the energy strategy paper does. It deals with an average because you have to roll them all together.

I have indicated that if the companies reinvest 50 cents of a dollar increase they would be able to obtain 3 per cent plus that 50 cents, which gives 53 per cent. If he would like to apply that 53 per cent to $1.75 he would see it is theoretically possible that there could be funds for the companies of somewhere between 80 cents and 90 cents. Each company will have to look at it from its own point of view.

On the question of whether we will continue to require foreign capital, I think it is quite clear that in this industry substantial capital funds will be required. In many instances, as far as exploration and development are concerned, they will be generated from existing producers in Canada. Once exploration has been shown to be successful, as I hope it will be in a number of instances, we may well require to borrow significant foreign funds to support projects like pipelines, additions to Syncrude, and that kind of major activity.

Perhaps I might be permitted one observation, Mr. Speaker. Like many other hon. members, I am sure, I have been looking for some indication of whether the Conservative party thinks the price increase is too high or too low.

Mr. Woolliams: Don't give us that nonsense.

Mr. Gillespie: It seems to me they are more interested in trying to do a balancing act without giving this House and the country any indication of whether they feel—

Mr. Lawrence: If you can't do your job, quit.

Mr. Gillespie: —that these prices are reasonable or unreasonable. I invite them to state their position.

Some hon. Members: Hear, hear!

Mr. Bawden: Mr. Speaker, the hon. minister knows that the government has obtained most of its good ideas from this side of the House.

Some hon. Members: Hear, hear!

Mr. Bawden: He is also aware that the very tragic situation he finds himself in which was left by the former minister, now the Minister of Finance (Mr. Macdonald), is the reason we can project all the problems ahead in the oil, gas and energy supply business.

I should like to ask him again about the capital shortage. He did not answer my question as to whether this increase will provide the exploration funds required to meet his goal. Could he also tell us whether he has any plans to provide incentives for Canadians to invest in this industry, which is another one of the tragic failures of the government and which is one of the reasons why Canadians do not own a greater share of the mineral resources of the country?

May I just throw in one further supplementary, Mr. Speaker. In view of the fact that one of the great reserves in our country is the Alberta oil sands, perhaps the minister could tell us whether he has any plans to improve what is now a nil prospect? Does he intend to do anything about it, or is he going to wait until 1980 and then tell us we have a further desperate problem?

Mr. Gillespie: Mr. Speaker, I have indicated to the House that I will be making a statement tomorrow with respect to the new oil and gas land regulations. That statement will

deal with a number of new measures and incentives. Some measures will have particular relevance to Canadian companies that wish to expand their exploration activities in federal lands. I welcome this question because it gives me an opportunity to point out that the price increase relates to the whole strategy for energy in Canada over the next ten years.

Oil and gas land regulations which will be forthcoming tomorrow will fill a number of gaps and demonstrate the importance of a new regime for exploration. Was there one other question?

An hon. Member: Athabasca.

Mr. Gillespie: Mr. Speaker, on the matter of the tar sands, I think if the hon. member were to read the business section of the *Globe and Mail* today he would see that the federal government's commitment made in Winnipeg on February 3 last year—that is to say, to make royalties tax deductible, expressed in tax terms as a remission order—provide not just for the production for the first 125,000 barrels per day, which is the size of the plant right now, but would cover an additional billion barrels of production if the province of Alberta does not change its royalties regime in a way which would adversely affect the partners in the Syncrude project.

● (2110)

Mr. Malone: Mr. Speaker, since it became clear from the answer given to the hon. member for Broadview (Mr. Gilbert) that there is no negotiated guarantee to make certain that any increase to the companies will go toward increased exploration, can the minister say what portion of the industry's take will be used for an increased searching out and development of sources of energy other than hydrocarbon? Also, when will we arrive at the position at which greater oil prices will in some way be reflected in the government's increased involvement in the development of new sources of energy for this country?

Mr. Gillespie: Mr. Speaker, the federal government is already heavily committed with public funds through Petro-Canada.

An hon. Member: Ha!

Mr. Gillespie: I hear a big laugh from the Tories.

An hon. Member: Shame!

Mr. Gillespie: Petro-Canada, I realize, is something the Tories stood against. They tried to defeat the bill.

Mr. Bawden: Tell us about the dry holes.

Mr. Gillespie: The people of Canada realize Petro-Canada will be important to their future, even though it will not be important to the future of hon. members opposite.

Mr. Bawden: Tell us about the dry holes.

Mr. Speaker: Orders of the day.

[Mr. Gillespie.]

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, before debate on the bill was interrupted by private members' hour I said that I was in favour of capital punishment for some offences. I favoured its retention in cases of planned, premeditated murder where the conviction was based on direct evidence rather than circumstantial evidence. I also suggested it should be retained for treason, and spoke about unlawful attempts to overthrow the government, insurrection, and assassination of the monarch. In all those cases we ought to consider imposing capital punishment.

According to certain newspaper reports the Prime Minister (Mr. Trudeau) has indicated to certain backbenchers that they had "better get with it", meaning that they had better support the bill, or else! I hear and suspect that the cabinet will vote en bloc in favour of the bill, and that parliamentary secretaries too will vote en bloc. They are all looking for promotions, for appointments to judgeships, and so on. The Prime Minister made his meaning clear to backbenchers. The plums are there, to be given out as appointments. The retentionists will not be given the plum posts, the judgeships, the highly paid positions on regulatory boards, and so on. This is understood among hon. members opposite.

Let me say a word about convicted murderers of policemen and prison guards now serving time. The list in my hand goes back to June, 1973. Who are these men who have been so convicted? They include John Francis Connearney, who was convicted of killing a police officer in Quebec; John Harvey Miller, convicted of killing a police constable at Surrey, British Columbia; René Vaillancourt, convicted of killing Constable Leslie Maitland of Toronto; Réal Chartrand, convicted in November, 1972, of killing a constable in Quebec. It also includes George Joseph Peloquin, who was convicted of killing a carpentry instructor at Stony Mountain penitentiary. It includes James Lawrence Hutchison and Richard Joseph Ambrose, who were convicted of killing a police constable and a corporal at Moncton, New Brunswick; Elery Steven Long, who was convicted of killing a staff-seargeant at Delta, British Columbia; and Gilles Hébert, convicted of killing a prison guard at Archambault Institution. I can recite many more names, Mr. Speaker. The list in my hand says little about the victim. We hear little talk of the victim but hear much talk about convicted men.

Let me now deal with the Solicitor General's (Mr. Allmand) speech and consider his arguments. He told us that he has participated in three previous debates on capital punishment, and said that hon. members who have been here for ten years, as he has been, will be participating in

their fourth full-scale debate on capital punishment. On three previous occasions the Solicitor General voted in favour of partial retention, that is, retention for certain offences only; each time the government had proposed the bill, and each time the government persuaded dissident backbenchers to support it.

The Solicitor General went on to talk about the question of objectivity. He said that if we consider this question objectively then we must, from a logical, ethical and public policy point of view, conclude that capital punishment must be abolished once and for all. I ask what are these logical, ethical, and public policy points of view? If it was unethical to vote for partial retention last time and twice before that, is the Solicitor General admitting that he voted against his own ethics, his own ethical inclinations? Remember, Mr. Speaker, the definition of public policy is always subject to interpretation. If it means public concern and public will, I think every constituency in Canada would vote overwhelmingly in favour of retention of capital punishment for some offences, particularly at this time when murder and violence are on the increase.

Let me illustrate what I mean. I sent out about 38,000 questionnaires asking people if they are in favour of capital punishment in cases of planned, premeditated murder. Of those who replied, 6,320 were in favour of retaining capital punishment for some offences; only 676 voted against capital punishment. I submit that any accurate report of the feelings of constituents all over the country would show that most of them would vote in the same way as those who answered my questionnaire. If polls could be taken in Vancouver, Edmonton, Winnipeg, Toronto, Montreal, Halifax or Moncton, the results would be much the same, I submit, as in my survey.

The Solicitor General maintains that the death penalty is no deterrent to the commission of murder. But he has no evidence to support his argument. Let him explain to the House why reported murders increased from 315 in 1968 to 545 in 1974, an increase of almost 60 per cent. This increase has occurred while the Solicitor General, and the government he supports, have been playing yo-yo with the subject in parliament.

In one year, 1974 to 1975, the murder rate increased 18.8 per cent, or at about the same rate as inflation. I point out that just recently Dr. Fattah was paid a big fee to produce a report on the subject of capital punishment. I do not criticize him; he is a professor, and was an abolitionist when he obtained his doctorate. He remained on abolitionist when he was hired to write a report. He produced a report which argues in favour of abolition. And what does that mean? It means nothing at all. It simply means that when he wrote the report, he followed his conscience and argued that the death penalty should be abolished. But he ignored the increase in murder.

Let me quote some figures to illustrate the recent murder rate. They are interesting. There were in 1961, 185 murders; in 1968 the figure jumped to 315, and by 1974 to 545. As I said previously, in a very short space the murder rate increased 60 per cent. The population did not increase by 60 per cent in the same period. And, as I said, in the 1974-75 period the murder rate went up more than 18 per cent. How can the Solicitor General maintain his position?

The practical question is not whether the death penalty would deter the would-be murderer, but whether it would deter him more than life imprisonment would deter him. Giving a capital murder convict 25 years in a penitentiary is certainly not going to deter murder. It is going to endanger the lives of every warden, police officer, and person in the correctional service in Canada. That is what it is going to do. Once you have been sentenced to 25 years, what do you have to lose? I might just pause here.

● (2120)

When these two tourists from Vancouver, one charged with murder and the other attempted murder, came to Calgary, they robbed a credit union, shot a police officer, and then holed up in a house with two girl hostages. They said to the police through their communication that they had nothing to lose.

We talk about humanity, but if a man 52 years of age is sent to jail for 25 years, he will not get out until he is 77. During that time will he be kept in solitary confinement in order to protect all the officers, guards, and wardens? I predict that if the Solicitor General (Mr. Allmand) stays in that position long enough, he will revert to the old system where such prisoners are let out on parole. We already know of people who have committed murder for the second time. It does not matter if they do it three or four times again, they cannot get more than 25 years.

An hon. Member: They will not stay there.

Mr. Woolliams: I agree. Then there is the argument that there is more sympathy and more feeling for the person who commits deliberate murder than there is for the victim. The hon. member for St. Boniface (Mr. Guay) talked about a fellow who shot a policeman in the arm. When the policeman fell down by a car, the fellow said that he had everything to gain from shooting him and then shot him through the eyes. That is the kind of psychology there is today.

I have a lot of experience as a defence lawyer. What concerns me is that murder is becoming socially acceptable. No one gives much thought to a person who commits a petty theft such as shoplifting. That is almost acceptable. Therefore you kill somebody.

I listened to an hon. member speaking this afternoon. He said, "What can you do about the victims; they are dead and buried." The murderer may have on his record more people who are dead and buried. What protection is there for society? Canadians are concerned.

The Solicitor General said it is more difficult to get a conviction when we have the death penalty. In my opinion, and I do not want to be unkind to him, that statement bears no relationship to the facts. I question whether he has had a jury trial on a capital murder case. I find that a jury will take the facts, whether they be from direct evidence or circumstantial evidence, weigh them, and come to a conclusion. In my formula, of course, I would not use the death penalty on circumstantial evidence. If it is circumstantial evidence the jury will likely go the other way.

Is the minister suggesting that we get rid of the death penalty because it is hard to get a conviction? Is he suggesting he wants a conviction in order to put these people

in jail for 25 years? Is that his position? I listened to him on the Monday night, but I still do not know.

There is talk about judicial error. Under the old law, judicial error was a valid argument. However, today, murder is divided into capital murder and non-capital murder. Capital murder was always interpreted under the Code before it was moved, changed, repealed, and amended. The judge who would draw the charge of capital murder would instruct the jury that they could find a reference of non-capital murder. Therefore the question of judicial error is not an argument. It might have been an argument 25 years ago before the amendments were made to the Code.

We have the security package. Part of the security package is the gun control law which seems to get more airing than the last part, and legalizing provincial inquiries which the Supreme Court of Canada says are already legal. They are now bringing in amendments to undo what they did in reference to wire tapping. No notice is necessary. I have said over and over again that if a police officer is not going to give notice to the subject that his telephone will be tapped, he should get leave from a judge, and then only under exceptional circumstances. Police officers I have talked to admit that they have not really tried a judge in this regard and therefore cannot say whether they have faith in that system.

All this was done for one purpose, to get people off the track. It always puts you in mind of a political tactic. When you go to a pond in the spring, you may see some mallard ducks. If the female has some ducklings, instead of swimming away she will make it appear as though she has a broken wing or leg in order to lead you away from the slough. This is what the government is trying to do, take people's minds off the economics of the country and the problems facing us today.

When you are dealing with the control of crime you need three things; quick detection, swift apprehension, and proper punishment. I used this example on other occasions when dealing with the question of deterrents.

When there is talk about whether the death penalty is a deterrent I often use this illustration. There is a rock in a harbour and upon it a lighthouse is placed to warn ships of the danger. One hears about the ships that run upon the rock in the fog, or during a storm, but one never hears of the ships that passed by in safety.

In a day in which we have high unemployment, inflation because of over-extravagant spending by the government, coupled with almost an illegal increase in the amount of currency, wage and price controls, threats by the national unions of Canada that they will organize and have a national strike from coast to coast, an increase in crime in every field, the government, within two and a half years of debating capital punishment, brings it in again to distract the minds of the Canadian people from the real problems and, above all, fails to carry out the death penalty.

A former prime minister used this quote. I dug it up to use it today. This is what Cromwell said about a parliament. This quote was used by the late Lester Pearson when he was Leader of the Opposition. He said to the then government, and I quote:

[Mr. Woolliams.]

You have sat there too long for the little good that you do. It is time to make way for better men. In the name of God—go.

For following the tactics it is using, that is what I say to this government.

An hon. Member: Where are the "better men"?

Mr. Woolliams: I quote prime ministers from all sides of the House when they have said something I accept. I accept it for members opposite because I know that many of them do not want to follow what they are forced to do in order to maintain their positions as parliamentary secretaries. In any event, I see my time is up. Thank you, Mr. Speaker, for your forebearance.

Mr. F. A. Philbrook (Halton): Mr. Speaker, clearly, the trend in Canada for many years has been toward abolition of capital punishment. Back in the peak year of 1931 when 22 murderers were convicted hanging was still on the books, obviously not a very effective deterrent. Then from 1936 to 1962 an average of only eight offenders per year were hanged. However, in the six year period 1957 to 1963 the Conservative government commuted 52 of 66 death penalties. From 1963 to 1972 the Liberal government commuted all cases, including killers of policemen. The NDP have also supported abolition while only the Social Credit Party has en bloc favoured retention.

● (2130)

A five-year trial period from 1967 to 1972, which abolished capital punishment except for killers of policemen and prison guards, was established by the present government to test the alleged deterrent effect, or absence of it. A special study concluded that there was no increase in criminal homicide due to the suspension of capital punishment.

Since 1972 the trial period has been continued by order of parliament, again with no death sentence carried out. We are now again debating the abolition of capital punishment, this time replacing capital punishment with mandatory life imprisonment for 25 years with no parole for those convicted of first degree murder. Canada thereby may join a growing number of enlightened nations in which *de facto* abolition of capital punishment has been achieved.

By 1975 at least 35 countries had either abolished it entirely or limited its use to wartime or offenders against martial law. It is retained by most African, Asian and Iron Curtain countries, and by France and Spain. It was abolished by Russia earlier but reinstated by the communist government, societies quite different from Canada. By contrast, it is being relegated to the past by many western European and English-speaking countries such as our own.

Research statistics from the U.S.A., Canada, and Europe indicate that murder rates are not significantly lower in the presence of capital punishment. As a matter of fact the lowest murder rates are found in Sweden, Minnesota, Wisconsin, Rhode Island, and Maine where it has been abolished for a long time. On the other hand some of the highest murder rates are found in France, Spain, South Carolina, Louisiana, and Georgia where capital punishment has been continuously in effect for a long time.

What is the situation with respect to convicted murderers in Canada? From 1920 to 1974 182 persons were granted

parole from commuted death sentences. Only 14 had their parole revoked for misbehaviour, and only nine of these had committed an indictable offence.

Between 1867 and 1975, in the entire history of our country, only one who had his death sentence commuted committed a second murder. Thus recidivism—the repetition of the crime of murder—is extremely low. On the other hand our people want to know how long these murderers have been kept in prison as just punishment and to protect society. From 1961 to 1968, 28 served an average of 12 years before being paroled, and from 1968 to 1974, 42 served an average of 13.4 years before parole, longer than for any other type of offence. Many were not paroled at all.

With respect to temporary passes issued only to carefully selected cases, just one out of 1,019 inmates convicted of capital murder failed to return on time, and only six out of 2,016 inmates convicted of non-capital murder failed to return on time. Thus the behaviour of convicted murderers compares surprisingly well with that of other types of criminals. Furthermore, the process of releasing a murderer is a very involved and careful one involving both the National Parole Board and the cabinet.

Even more important than punishing criminals, Mr. Speaker, are the many possible approaches available to protect the public by the prevention of violent crime. But I will not review them here. Nonetheless many arguments have been put forward in favour of capital punishment. It is said to be a deterrent. Scientific studies from many countries indicate that not only is it not a deterrent but that the opposite effect is achieved in some cases. Some people are actually motivated toward crime by the danger involved. It is obviously true that a person can never murder again after he is executed, but he rarely does so anyway when not put to death. However, those from his section of society who identify with him might well be embittered enough over his fate to avenge his death with further crime and violence. Capital punishment does brutalize and polarize society into class warfare.

Some people claim that capital punishment is a form of just retribution to which society is entitled. Or is this only legalized revenge? It cannot undo the crime, not does it always satisfy the victim's loved ones. Some quote the Bible to justify capital punishment, but at least as many quotations can be found to support mercy and abolition. Imprisonment at $18,000 per prisoner per year is admittedly more expensive than capital punishment. But civilization is never cheap. Society's challenge is to make confinement productive, self-supportive, rehabilitating, and humane.

Reports have recently suggested that murder and other violent crimes are increasing rapidly due partly to less severe punishment and partly to sensational coverage by the media. But most cases are spontaneous rather than premeditated. Some regions show an increase while others show a decrease under the same conditions of punishment during the same time period. And authorities in the field trace the real causes to tragic social conditions.

Capital punishment is not always free of discrimination either. The rich and influential seldom hang; it is usually the poor and the weak who pay that penalty. Members of minority groups are sometimes disproportionately sentenced to death. For example, between 1930 and 1974, 54 per cent of the persons sentenced to death in the United States were black although they represented only 12 per cent of the total population. Almost universally, juries are more sympathetic to women on trial than they are toward men on trial.

Nor is capital punishment without its horrors. One woman was inadvertently decapitated. Two convicted murderers who had attempted suicide were kept alive by a doctor and two nurses until they could be executed. One convict was delivered to the gallows in a wheelchair. Slow, writhing death from hanging has been described by Ben Malkin and others.

The Ottawa *Citizen* editorial of May 11, 1976, reminds us that juries often choose to avoid imposing the death penalty when it is on the law books. What, then, are the alternatives? Life imprisonment, Mr. Speaker, fulfils all the purposes of any legal penalty, that is, deterrence, punishment, rehabilitation, and the protection of society. It is then up to society to design some form of confinement which is humane and productive.

Mr. Arthur Trono, the Regional Director of Prisons in Ontario, with 13 institutions under his control, complains that our prisons do not reform and often make prisoners worse. Meanwhile a Toronto lawyer, Mr. Clayton Ruby, suggests a cheaper and better approach might be to expand special work communities in isolated areas such as the far north, with families optional, or remote prison-type universities for rehabilitation.

Prevention is still better for everyone than correction and punishment, and tighter gun controls should help prevent all those common crimes of passion commmitted with easily available guns, if not criminal shooting. Unfortunately there are lobbyists willing to spend time and money to prevent such logical legislation. So, how do we settle this gnawing problem? Some suggest that informed members of parliament should decide. Others say the members of parliament should vote according to what they perceive public opinion to be.

There are special sources of information, too. Most editorials favour abolition for a variety of reasons; for example, the Ottawa *Citizen*, the *Globe and Mail*, and the Montreal *Gazette*. The churches, too, are opposed to capital punishment; I might mention the Canadian Council of Churches (Protestant and Anglican), and the Roman Catholic Bishops through the Canadian Catholic Conference.

Volunteers who work with criminals, including members of the John Howard Society and the Elizabeth Fry Society, support abolition. The celebrated criminologist, Professor Ezzat Fatah of Simon Fraser University, rejects capital punishment passionately as being "vindictive, retributive and bloodthirsty".

The Canadian Civil Liberties Association through its general counsel, Mr. Alan Borovoy, has congratulated the government for its stand on abolition and said the national organization "is going to work like hell to get MPs across the country to support it".

Dr. Guy Richmond, a prison doctor for many years in England and Canada wrote a book recently documenting the case for abolition. Al Baldwin, an ex-convict who spent many years in prison and two years on death row for killing a prison guard who he claims double-crossed him,

brands the death penalty as brutal and senseless. Police Chief Harold Adamson, the President of the Canadian Association of Chiefs of Police, has endorsed the federal government's peace and security proposals as being "a very sensible approach" even though police feel the death penalty is necessary in some cases.

● (2140)

While recent public opinion polls indicate a majority in favour of retention, private questionnaire surveys by MPs are usually only answered by a minority of constituents—10 per cent in my own riding of Halton. As well many people seem to qualify their position after discussing the issue. Polls, public opinion, and the incidence of crime change from year to year, while the law once passed must remain more stable. Another recent Gallup poll, moreover, indicated that 61 per cent of the people place the blame for crime and violence on our social environment rather than the individual, an increase from 52 per cent in five years. Many people now feel that our laws should be brought into line with reality, while some concede at least that hanging is too brutal and must be stopped.

In government there is a higher law than the law of parliament, and that is the royal prerogative of mercy, a time honoured privilege predating Canada's capital punishment law and taking precedence over it. Exercised by cabinet, it is not only embedded in the criminal law but recognized in the Criminal Code which parliament approved directly. Commonplace in the last 13 years, it has established a string of precedents not easily broken.

The Senate too has had its share of abolitionists, including the late Conservative, Senator Grattan O'Leary.

In the final consensus the individual MP faces the free vote and his own responsibility. Some will decide according to the dictates of their own consciences, others under the pressures of public opinion. But historically, legislation in Canada is not always based on public opinion and requires the guidance of specialists. For example, foreign policy and tax laws are not decided by referendum.

David Chandler is his book "Capital Punishment in Canada" concluded that MPs will vote for abolition when they come from culturally diversified regions, as many in Canada are. The classic historical reference usually quoted on the function of members of parliament, however, is that of Edmund Burke:

> Your representative owes you, not his industry only, but his judgment; and he betrays, instead of serving you, if he sacrifices to your opinion.

This quotation has been repeatedly referred to with approval in the Canadian parliament. Burke's actual words appear in a section of "Beauchesne's Rules and Forms of the House of Commons of Canada." Thus with a controversial subject such as capital punishment the issue is not just what is the right answer, but how it should be decided.

Personally, as a physician who has come to know life from birth to death, I believe that babies—and I have delivered hundreds of them—are born innocent and not criminal by nature. I also believe that anyone who murders has become insane, either temporarily or permanently, just as is anyone who commits suicide.

[Mr. Philbrook.]

As an MP, I do not believe that we were sent to parliament by our fellow citizens to make laws which take lives, even the lives of those who have themselves murdered, however much we respect the views of our constituents. I believe that capital punishment is neither moral, effective as a deterrent, nor necessary in the light of alternatives. I consider it my duty, Mr. Speaker, to vote to abolish it.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, although the Prime Minister (Mr. Trudeau) indicated today that he did not need those of us on this side who happen to favour the abolition of the death penalty, I am going to take a chance and assume he did not really mean that, and I hope my colleagues who do support Bill C-84 will not mind if I inflict myself on them for a minute or two.

An hon. Member: You're welcome.

Mr. Fairweather: Although I feel welcome I do not really appreciate the remarks of the Prime Minister on an extremely sensitive and difficult issue that will require the fairness and understanding not only of the government but of a good many people in the opposition. I think this debate will only succeed and that the result will only be what the government wishes if all of us are enlisted in a cause that many of us have espoused for some time.

Some hon. Members: Hear, hear!

Mr. Fairweather: I ask my colleagues if night must fall again in Canada. Must all the engines of ritual murder be strarted up after 14 years of disuse? Must members of parliament surrender to our constituents our undoubted duty, one that has been restated and repeated just a minute ago in eloquent terms, to use our own reason, and to use it well?

I have had to ask myself, Mr. Speaker, having taken part in capital punishment debates since coming here 14 years ago, if there is anything more that one can say. Is it not an imposition to ask my colleagues to listen and to heed one more time? I remain a convinced abolitionist. I will vote for this bill. Silence seems to me to be cowardly, Mr. Speaker, to say nothing of it being too easy. With the greatest respect to those of my colleagues who take another way—that is, who abdicate their responsibilities because of the result of some poll—I say that I respect them but I do not honour them.

I want capital punishment removed from the national agenda. I believe that for far too long it has absorbed the mind, the heart, and the spirit of this place. I have the greatest respect and compassion for the Solicitor General (Mr. Allmand) who I believe, through a period of extreme difficulty in this country, has served us all very well. I believe that the Solicitor General of Canada should have more things on his agenda than responding to the cry for vengeance because, I am sorry to say, there can be no other reason for the reinstitution of the death penalty in Canada. I want the subject of crime prevention and crime detection to be free of what I conceive to be a veritable albatross of hanging.

Hanging a few prisoners will not end violence in this country. Executing the ten who await the outcome of our deliberations will not save the life of one policeman. Hang-

ing is not a substitute for good police work, and we delude ourselves if we tell the public otherwise.

Even as the bombs exploded in London in the autumn of 1974 the British House of Commons turned back by a majority of 172 votes one more attempt to reinstate the death penalty in that country. The home secretary reminded the House that the Commissioner of Police for London and six of his senior officers were opposed to the return of capital punishment. In their judgment, the home secretary said, the most effective deterrents to terrorism are the likelihood of detection followed by the certainty of conviction for the guilty.

That debate, Mr. Speaker, took place during a period when England was not a very happy place. Inflation was rampant, sterling was falling in value, and stringent fuel conservation measures were in force. England was no longer Tennyson's place, "Compassed by the Inviolate Sea", or Somerville's "Happy Britain, Highly Favoured Isle". Yet tabulating the votes on capital punishment surely anyone must admit that there are certain values that, even in adversity, Britain scorns to yield. I suggest, and I hope very much that this country can join Britain and many others in the civilized world which have values that we refuse to yield, and that for once this issue which beclouds relationships between colleagues and beclouds discussion of crime and its prevention, and presents us with irrelevancies and, as many members have pointed out, with the most horrible and blood curdling definitions in Biblical texts that I for one have ever heard, can be settled.

● (2150)

I see it is approaching ten o'clock, but I will take another few minutes, if I may, to go on and suggest this to my colleagues. Perhaps they have noticed it. When people quote the Bible advocating capital punishment, the quotations always seem to be either in red ink or red typewriter ribbon. I have never understood, and perhaps some sociologist could do a paper for us on this, why it is that those who wish to hang people have to tell us so in red ink. There may be something Freudian there, but I will leave that to hon. members to work out.

I am delighted that the name of a dear friend of many of us, the late Grattan O'Leary, was mentioned just a minute ago. One of the last speeches made by Grattan O'Leary in the Senate was made on April 30, 1975, on this very subject. A good many people who were in the Senate that day could not help but be moved by this brave old man once again coming to the defence of those who wish to remove this law from our statute books. Senator O'Leary, then a very ill man, said among other things, as recorded in the Senate *Hansard* for Wednesday, April 30:

—the civilized world has been looking at this question for more than half a century and it has come to the conclusion, with the evidence almost overwhelming, that capital punishment is not a deterrent. I would be against capital punishment even if it were a deterrent; but there is nothing on earth, no evidence anywhere by anyone, to show that capital punishment does deter the further commission of such crimes.

The Senator went on to say:

The retentionists say that we must have law and order. "Law and order," my friends, has been the war cry of nearly every tyrant in history. "Law and order" was the cry of Hitler, when he assassinated nearly six million Jews.

He then stated:

"Law and order" was the cry of the infamous Stalin when he reddened the soil of Russia with his purges.

There is always law and order in a graveyard. Yes, "law and order" was the cry of the spawn of Attila the Hun and of Genghis Khan when with fire and sword they laid waste the fairest part of Europe. This has always been the cry of people who want to commit violence against others—the violence which breeds violence.

I am as certain as I stand here that this really is the core of the issue. This violent act by the state surely is—the verb I seek does not come to mind rapidly, but the violence colours the state's activities through the whole criminal justice system. I can recall very well when I had the privilege of being a minister in a government of New Brunswick. One of the last executions took place there, and the guards at the small jail had to seek a leave of absence after the execution took place. They had been confidantes; yes, friends, guards who had shared the aspirations during the whole judicial process of the condemned person, and then the state suddenly said, "Now you have brought this man bread, you have shared his agony, you will witness his death by the state." The request came to me, and who could deny it, so that two people in question got leave of absence. The effect was too much for any person to accept.

That is why I believe the whole trapping—I called it earlier in my speech the whole engine starting up this clanking machinery of death after 14 years—must be an unbearable prospect for those who are in the seats of power.

Others have mentioned brave people who have taken part in raising public feeling about this issue. I have great pride in mentioning another in my own province of New Brunswick, the Archbishop of Moncton, Donat Chiasson, who had the unique obligation, I think the word is, of preaching the sermon at the funeral Mass for the two policemen in Moncton who were savagely murdered a little over a year ago.

The Archbishop did not duck the issue. The Archbishop of Moncton on that occasion did not preach a sermon espousing revenge. How could one expect him to? He chose to preach a sermon of forgiveness, and by that act of churchmanship and of courage he sent a signal, it seems to me, to many people across this country who devotedly espouse the cause, which he does in ecclesiastic terms, and the rest of us do in our ordinary occupations here in parliament.

The Archbishop of Moncton just recently this year, February 23 as a matter of fact, sent a letter to the Prime Minister of Canada, and once again in most eloquent terms supported the cause of abolition of capital punishment.

Perhaps this would be a good time to interrupt this speech and remind hon. members that the second edition will take place at some occasion tomorrow. I am a convinced abolitionist, and I am anxious that those of us who feel the way we do are able to make their positions clear.

Adjournment Debate

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

HEALTH—ALTERNATIVES FOR TREATMENT IN VIEW OF CLOSING OF HOSPITALS—POSSIBILITY DOCTORS ALLOWED MILEAGE CHARGE

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I rise to deal with a question that is recorded in *Hansard* for February 16 at pages 10957 and 10958, which I directed to the minister as follows:

In view of the anguish, fear and dismay caused by the proposed closing of several hospitals, particularly in rural areas, I would like to ask the minister if health care centres or other facilities are being planned to look after those needing care and, also, if any provisions are being made to look after the approximately 5,000 people who will be unemployed.

The minister said he had met with his provincial counterparts in April after he had initiated negotiations with the provinces last year, and he offered at that time to share the costs of certain services. Let me suggest that if private enterprise had run its business like the federal government had run national medicare for seven years, and took seven years to observe before correcting its errors, it would have gone bankrupt a long time ago.

● (2200)

The government has the bankroll of the Canadian people, but it is getting thin. First the Minister of National Health and Welfare (Mr. Lalonde) tells his provincial colleagues that the government is not going to go 50-50 any longer. Then the provincial ministers say the same thing to the municipalities.

I asked the minister what provisions or programs he had in mind to relieve the situation which existed over the last seven years. I asked him what provisions have been made to relieve the situation in respect of the backlog of people who remain in active hospital treatment beds longer than they should because there is no extended care home to which they can go. What round the clock provisions are there for these people who could be treated at home who require a certain amount of nursing care similar to that obtained in the extended care program? Why have no figures been published on how costs can be cut in hospitals? There is much experience of hospital administration costs, and also eight years experience of medicare.

How does the minister intend to assure the public that the quality of health care will not be downgraded by the moves now being made? In other words, will a physician call on people under a home health care program, or will there ever be one? What happened to the para-medical personnel program that was discussed a few years ago whereby a nurse practitioner could see people in their homes in most cases, as well as the doctor? This practice is carried out in the north. The nurses treat the patients, and whenever they require further specialized help obtain the same through the use of long distance radio, or a doctor flies in. What is being done to build up a para-medical personnel program? In the case of RNA's, would they be

[Mr. Fairweather.]

allowed to give a hypo? What has been done about this? What would be the limitations?

These are the questions on which we would like to be enlightened because people are being affected by the closing of hospitals which is disturbing and upsetting, going even into the courts. There is no way the government can avoid the responsibility for its shared cost programs and the chaos it has gotten into on the cost point of view.

I do not blame the present minister of National Health and Welfare for this because other ministers have been involved. In 1967 the spending estimates for Ontario were $358 million. In 1975-76 the estimates will be around $2,913,000,000. In 1967 the province of Ontario had its own medical insurance and demonstrated how well it could work. However, as the government well knows, universal federal medicare was introduced.

The parliamentary secretary who is present tonight will recall very well that at that particular time John Robarts, Premier of Ontario, stated that universal federal medicare would be excessively expensive, out of line with certain other priorities, and inflexible. Some of the other priorities include housing, transportation, and energy. The medicare plan in Ontario at that time was both public and private and competition was keen, which helped to keep down health care costs. Physicians' Services Incorporated was one such company and its administrative costs were held to 5 per cent. This covered 95 per cent of Ontario residents. Federal medicare calls for 90 per cent to qualify for federal subsidies. This plan, which I advocated that the federal government use, was free to the poor, subsidized those on low incomes, insured those with high health care costs because of age or chronic illness, and left the person with the average or high income to pay his own. This, in many cases, provided better coverage than we have today.

We have come full circle, and we are in trouble. We are alarming people. We are closing hospitals and putting many people out of work. Many of those people will not find jobs and will go on unemployment insurance benefits where there will be no services given for the money collected.

It is an amazing thing that the government can think that it can turn off the tap on health care costs. It just cannot be done, and the government knows it. I have reminded the minister on many occasions that there are going to be more and more chronically ill people as our population ages. The care now is not adequate for our geriatric people.

I would therefore like the minister to state what provisions he has made and what plans are being offered. Will there be a health care program for those who could remain in their own homes? Is there going to be a para-medical personnel program? Are there going to be health care centres? What has the minister got to offer to cope with these problems and to right these wrongs so that the quality of medical care will not go down across Canada?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, this is one of those occasions when it is obviously better to have seven minutes to ask perhaps a hundred questions than it is to have three minutes to try to give some kind of answers to them.

It is true that Ontario had a good medicare program in place in 1967, but it did not cover everybody and everything, and it was obvious from a national point of view that there could not be a national medicare program, one which would cover other, poorer provinces, unless Ontario was part of it. I think all Canadians are proud of the decision to have a national medicare program which could offer a standard to all Canadians, and I do not think the people of Ontario regret that they are part of it. I also do not think that our program costs more today than it would have if they had continued the program they had, which even the hon. member has admitted did not provide the coverage the national program does.

We began in 1967 with an open ended program. We were ready to write cheques for half the liability incurred by provinces in establishing their systems. It did not have the kind of guidelines or ceilings on it which the hon. member, with a hindsight argument, says it ought to have had, but let us look at it as it was then. We wanted the program to grow rapidly. We wanted to bring in the many thousands of Canadians who were not getting adequate medical attention. We wanted hospitals to be built all over the country in places where there never had been hospitals. We wanted a new quality of medical service for our people, and we got it.

A point came—and perhaps it came over the past few years when the hospital side of that program was mature—when there were more or less an adequate number of hospital beds provided across this country, with some regional misallocation, I grant. The problem then was to control the rate of growth, and the federal government turned its attention to that, not just this year and not just with the announcement in the recent budget that there would be new hospital shared cost arrangements after 1980.

This was not just begun by the federal government recently. It was begun several years ago in negotiations and efforts to try to make the provinces realize that the rate of growth was excessive, and was not something which could be sustained by this country.

We had a partnership in the building of these hospitals. The partnership was that the provinces would decide where the hospitals would go, how big they would be and how much they would cost, and the federal government would write the cheques for half. Now the provinces are finding that they have to close hospitals. I insist that they are not closing hospitals because of the federal program. That program continues until 1980, and if Ontario, for example, wanted to double its hospital budget until 1980, the federal government would pay exactly half the cost, as it has done in the past.

The point is that the provinces have realized on their own that the rate of growth is unacceptable and that we have to turn to low cost alternatives. Ottawa has offered to support a range of low cost alternatives which the provinces could begin today if they wanted to. They have not yet done so. They have until October 1, but as far as the federal government is concerned we wish they had come in on them long ago.

Mr. Rynard: You guaranteed the quality of medicare.

● (2210)

POST OFFICE—LETTER URGING PITNEY BOWES CUSTOMERS TO BUY OLYMPIC METER DIES—REASON MINISTER SENT LETTER

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, my topic tonight arises from a question I put to the Postmaster General (Mr. Mackasey) on April 13 when I asked what portion of the $150 selling price of postage meter dies was to be retained by the seller, Pitney Bowes of Canada, and also why the taxpayer of Canada was asked to pay for the minister's solicitation on behalf of this company. As usual the minister did not answer the question, which was fairly straightforward. Instead he said:

> Mr. Speaker, Pitney Bowes has a vested interest in selling meter dies, which is their business. We have a vested interest in ensuring that meter dies contain the Olympic symbol in order that people who use meter dies rather than stamps will avail themselves of the opportunity of offering financial assistance to the Olympics. Of course, this is a co-operative venture of the Post Office, Pitney Bowes and the Olympics in general.

From that it is clear that neither the question about the portion of the purchase price, nor the reason for the taxpayer being called upon to bear this expense, was answered.

This is a very serious matter and it is not the first time it has been raised with this minister or by me in the House. The first time I can think of was in March when the question referred to a press release issued by the minister on February 25 about a $12 million issue of Olympic commemorative stamps. I believe that release contained misleading statements as well. In it the minister stated:

> We need to show our young Canadian athletes that we care about them—that we are aware of the tremendous effort and the sacrifice they are making for Canada. One way you can give your support is by buying this commemorative stamp issue for your collection at philatelic outlets.

When the question was raised in the House on March 26 the minister explained that the net proceeds after the cost of production are turned over to COJO and COJO is expected to pass on 3 per cent of whatever it receives to the Canadian Olympic Association. That, of course, would go to assist the athletes.

It is obvious from the remarks that it is not 3 per cent of the $12 million, but 3 per cent of a smaller amount which the minister was unable to pin down, and indicates less support than would be implied by the minister's press release.

In the Pitney Bowes case a letter from the minister addressed to Pitney Bowes customers on March 17 states several times that the program of selling postage meter dies will help the athletes. In the second paragraph it states "to provide aid to Canadian amateur sport"; in the third paragraph it refers to "support for the games and for amateur sport" and in the last paragraph it states "your organization can show its support for the 1976 summer Olympic games and for our young athletes."

The letter states that the die is available for $150. There is no information on what portion of the $150 will go to the athletes and what portion would be retained by Pitney Bowes.

In his answer to my question the minister said that Pitney Bowes has a vested interest in selling meter dies. I hardly think that is a definition of the stand taken by the minister, yet he was unable to explain why, at the expense of the taxpayers of Canada, on the letterhead of the Government of Canada, he was promoting the sale of this die which would presumably result in profit to an ordinary business corporation, namely, Pitney Bowes of Canada.

Mr. Paul E. McRae (Parliamentary Secretary to Postmaster General): Mr. Speaker, although the Postmaster General (Mr. Mackasey) responded to the hon. member's question of April 13 last, there is additional information I would like to bring to the attention of the hon. member for Vancouver Quadra (Mr. Clarke). The question relates to the sale by Pitney Bowes of Olympic postage meter dies, and asks what portion of the $150 price is retained by Pitney Bowes, and further, why Canadian taxpayers are asked to pay for the minister's solicitations on behalf of that company.

To answer the second part of the question first, there is no cost whatsoever to the Canadian public. The cost of the sales letter signed by the minister, together with all other administrative costs, is deducted from revenues accruing to the Post Offfice from the sale of the dies. I think that is very important.

The Post Office negotiated a price with Pitney Bowes which is the same, or less, than that company's normal charge for producing a meter die. The company then quoted a price equivalent to their production costs—between $20 and $25, depending on the model. The price is less than a customer would have to pay for a die of his own. After the Post Office has paid for the die and for the administration and production costs, whatever is left from the $150 collected from the customer becomes part of the revenues of the Olympic stamp program.

The sales promotion has been a co-operative effort between the Canada Post Office and Pitney Bowes. The company arranged for its 500 service representatives to make calls on customers, offering the special Olympic postage meter dies. All the costs of the sales calls are borne by the company.

We have gone into some detail in answering this question because we believe this is a worth-while venture for a worth-while cause, support for the Olympic stamp program and, of course, for Canada's own athletes.

EDUCATION—ALLEGED INADEQUACY OF PAYMENTS TO WESTERN PROVINCES FOR POST-SECONDARY EDUCATION—GOVERNMENT POSITION

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, on May 14 I asked the Secretary of State (Mr. Faulkner) about his disposition with respect to renegotiating the 1972 federal-provincial Fiscal Arrangements Act whereby the federal government provides 50 per cent of the moneys for the operating costs of post-secondary institutions. I asked the Secretary of State to look again at the anomalies in that act. I was referring to the provision for the 15 per cent increment which is included in that act.

At first glance, when we consider the increase of cost resulting from inflation, that provision looks generous. But on closer examination, if one considers the disparities in the growth of post-secondary educational institutions across this country, it becomes evident that great inequities exist in this legislation. The 15 per cent increment provision is fine for those post-secondary institutions in provinces where there has been stable education growth; I am thinking of provinces in which a plateau in growth was reached some time ago, perhaps decades ago. When applied to British Columbia, where there is a bourgeoning growth in education and where new regional colleges are being established almost every year, the 15 per cent increment provision does nothing but heighten the obvious inequity of the legislation.

Answering my question on May 14 the minister said, as reported at page 13520 of *Hansard*:

> . . . that is a subject on which I have received some representation and of course it is being considered.

I hope, Mr. Speaker, that we can take the minister's word at face value, because the present arrangement is creating no small hardship for many of the newer institutions in British Columbia.

I realize that the federal government, which is accustomed to dealing with astronomical sums of money, might consider the few hundreds of thousands of dollars which would be involved if the act were adjusted as a matter of no consequence. But I assure you, Mr. Speaker, that to the small institutions of British Columbia, those hundreds of thousands of dollars, if they can get them, mean the difference between life and death. For example, I am thinking of Douglas College, in Surrey-White Rock; of Trinity Western College, in Fraser Valley West; of Fraser Valley College, a brand new college in Fraser Valley East, and of Northern Lights College, which was established this year at Dawson Creek. Here we are talking about brand new institutions which must meet not only extremely large capital costs and start-up costs, but carry the extra burden of high operating costs.

Under the 1972 arrangement, Mr. Speaker, there was provision for a fixed rate to be granted, plus a 15 per cent increment. The present arrangement means, in the face of the growth which has taken place in the province, that there is nothing left in the kitty for those colleges which come on stream last.

I am particularly acquainted with Trinity Western College, since I served on faculty and staff for about 12 years. It is a small private college with an enrolment of about 400. It has not cost the taxpayer one red cent. Everything that has been brought to fruition in that college has been through sacrificial gifts on the part of people interested in that kind of an education. All donations and tuition have brought that college to where it is today. In the past 13 years that one institution has saved the taxpayers hundreds of thousands of dollars. In addition, it has in a sense been subsidizing other post-secondary institutions across Canada.

● (2220)

Since 1972 Trinity Western College has repeatedly tried to get help under the provisions of the act. The provincial government as well as the federal government have in good faith said they would like to help, but under the provisions of the act that was not possible. Even with the

50 per cent help in operating costs the provincial government has said it would cost it extra tax dollars to make up that 50 per cent cost because of the 1972 plateau that was established when the act was passed.

In order to do that kind of catch-up financing, the provincial government would have to throw in the extra dollars to make up the 50 per cent of the operating costs. I say again that this is not fair to a province like British Columbia which is experiencing that kind of growth.

The same is true for Fraser Valley College which is about three years old. The province has to kick in the extra money to finance the operating expenses of that college. This year Northern Lights College in Dawson Creek is facing the same kind of dilemma.

The 1972 Federal-Provincial Fiscal Arrangements Act is being very prejudicial in light of the experience of these colleges. I ask that the Secretary of State take a serious hard look at the disparity that exists because of the fiscal arrangement of this legislation. I hope he will seriously consider a readjustment of the arrangement in order to include those colleges which come on stream later in the life of the province, the educational experience of a province, and provide some kind of equitable arrangement so that new colleges that come on stream will also benefit by the 50 per cent operating costs arrangement that is supposed to be provided by the provisions of the act.

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): Mr. Speaker, I welcome the opportunity to speak to the matter raised by the hon. member. He is suggesting that the 15 per cent ceiling which exists on the annual rate of increase in federal payments under the post-secondary education provisions of the Fiscal Arrangements Act is having an adverse effect on certain post-secondary institutions which are facing high rates of increase in enrolments.

The post-secondary education fiscal transfer involves two distinct aspects. The first of these is a formula for determining the amount of money to which a province is entitled that is, the value of the federal contribution. The second is a mechanism for actually transferring funds to the provincial government. The value of the federal contribution to a province is based on 50 per cent of eligible operating expenditures of post-secondary institutions in the province, subject to the floor provision and the 15 per cent limitation on the annual increase in total federal expenditures under the program.

The mechanism for transferring funds to a province involves two components, the federal "revenue reduction" and residual cash "adjustment payments". The revenue reduction relates historically to a transfer of personal and corporate income tax points to each provincial government as part of the 1967 arrangements developed by the federal government for supporting post-secondary education in Canada. It also includes, where applicable, equalization and revenue guarantee payments associated with the value of the tax transfer. This part of the legislation is administered by the Department of Finance. To the extent that the revenue reduction is insufficient to meet the total value of the federal contribution to a province, the Secretary of State's department makes cash adjustment payments to provide for the difference. I should stress here that these payments to the provinces are totally unconditional as to the purposes for which they may be spent.

The program has just entered its tenth year of operation. During the first nine years of the program, the total value of the fiscal transfer to all provinces, that is, the combined value of the federal revenue reduction and the residual adjustment payments, has exceeded $8 billion. Of this amount approximately $4.5 billion was in the form of the revenue reduction and approximately $3.5 billion has been paid by the Department of the Secretary of State as adjustment payments. Given these magnitudes, I think it is reasonable to conclude that the substantial growth and development which have occurred in the field of post-secondary education in Canada over the past decade simply would not have approached the same degree without the federal support program.

As can be seen from my description of this program there is no link between the 15 per cent ceiling on the annual rate of growth in the aggregate value of the federal contribution to the provinces and the funds made available to individual institutions by the governments of the provinces. Given that the funds transferred to the provincial governments are entirely unconditional as to the purposes for which they may be spent, the decision as to the amount of financial support the government of each province chooses to provide to the various post-secondary institutions in the province is one which rests exclusively with each provincial government.

I am clearly not in a position to comment on the manner in which the various provincial governments may choose to provide financial support for post-secondary institutions in their respective provinces.

I trust, Mr. Speaker, that these comments clarify the question raised by the hon. member.

Motion agreed to and the House adjourned at 10.28 p.m.

HOUSE OF COMMONS

Wednesday, May 19, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

UNEMPLOYMENT INSURANCE

REQUEST FOR REPORT ON INVESTIGATION BY ROYAL CANADIAN MOUNTED POLICE OF ALLEGED FRAUDS—MOTION UNDER S.O. 43

Mr. Tom Cossitt (Leeds): Mr. Speaker,—

Some hon. Members: Hear, hear!

Mr. Cossitt: —I rise under the provisions of Standing Order 43 to move a motion of urgent and pressing necessity. I would move, seconded by the hon. member for Winnipeg South Centre (Mr. McKenzie):

That the Minister of Manpower and Immigration and the Solicitor General make available immediately full details of a recent investigation by the Royal Canadian Mounted Police into the infiltration of organized crime into the Unemployment Insurance Commission and, specifically, that the House be told of companies existing on paper only making use of valid names and social insurance numbers and reportedly engaging in the fraudulent collection of a vast number of claims each week from the Ottawa UIC office and possibly other UIC offices amounting to thousands of dollars; and, finally, that full details be made public of fraud charges laid by the Royal Canadian Mounted Police under section 338 of the Criminal Code in connection with this matter during the last several days against Gordon Gunn, former employee of the Unemployment Insurance Commission residing at 1435 Prince of Wales Drive, Ottawa, and when further charges will be laid.

Mr. Speaker: Order, please. I know that all hon. members, regardless of their sentiments in respect of this particular motion, will know that by moving it the hon. member for Leeds (Mr. Cossitt) shows that he has made a complete recovery. We rejoice.

Some hon. Members: Hear, hear!

Mr. Speaker: Notwithstanding that expression of sentiment, the motion, pursuant to Standing Order 43, can be presented to the House only if there is unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

NATIONAL DEFENCE

SUGGESTED COMMITTEE STUDY OF LEGAL ADVICE GIVEN MINISTER WHEN NEGOTIATING LOCKHEED CONTRACT—MOTION UNDER S.O. 43

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I, too, rise under the provisions of Standing Order 43 and commend the urgency of this matter. In view of the decision yesterday by this government to accept a loss to the Canadian people of a minimum of $16 million and possibly more over the Lockheed Orion negotiations, with nothing to show for it; the decision by the Minister of National Defence (Mr. Richardson) to announce agreement in principle prior to approval by Treasury Board, thereby incurring such liability; and the decision of the Minister of Supply and Services (Mr. Goyer) to guarantee such loss by purchasing an extension of the option for $16 million, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this House refer this matter forthwith to the Standing Committee on Justice and Legal Affairs to determine what legal advice, if any, was given to the responsible ministers throughout the negotiations and, in particular, what legal advice, if any, was given prior to the announcement of approval in principle by the Minister of National Defence on November 27, 1975.

Mr. Speaker: Order, please. Pursuant to Standing Order 43 the motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

THE CANADIAN ECONOMY

SUGGESTED PAYMENT OF COMPENSATING DISCOUNT—MOTION UNDER S.O. 43

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, pursuant to Standing Order 43, I request the unanimous consent of the House to present a motion dealing with a matter of urgent and pressing necessity.

Considering that for a few years the world price of cereals will continue to sustain rising food prices which are already subject to quite strong upward pressure, and that the final reports of the Food Prices Review Board and the Canadian Federation of Agriculture recognize that fact and both point out the need for taking immediate measures, I move, seconded by the hon. member for Champlain (Mr. Matte):

That the House discuss right now the board's recommendation stating that the government should introduce grant programs for consumers to protect Canadians, and that the discussion consider our proposition of

making up an efficient system of compensating discount for consumers stabilize and balance this sector of our economy.

Mr. Speaker: Order, please. The House has heard the hon. member's motion. Pursuant to Standing Order 43 provisions, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There not being unanimous consent, the motion may not be put.

* * *

[*English*]

PUBLIC SERVICE

SUGGESTED SETTLEMENT OF DISPUTE WITH VETERINARIANS TO AVOID STRIKE—MOTION UNDER S.O. 43

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, I move under the provisions of Standing Order 43 a motion of national and pressing necessity. In view of the fact that the veterinarians employed by the health of animals branch of Agriculture Canada are now proposing strike action to back up their legitimate grievances concerning working conditions and poor salary schedules, an action that will have dire consequences on the meat packing industry, the livestock producers, meat exports and consumers all across Canada, I move, seconded by the hon. member for Medicine Hat (Mr. Hargrave):

That the President of the Treasury Board take immediate steps to again meet with representatives of the veterinary group to settle their differences and avert a very costly national strike.

Some hon. Members: Hear, hear!

Mr. Speaker: Such a motion, pursuant to Standing Order 43, can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1410)

[*Translation*]

THE CANADIAN ECONOMY

SUGGESTED PAYMENT OF COMPENSATING DISCOUNT—MOTION UNDER S.O. 43

Mr. Armand Caouette (Villeneuve): Mr. Speaker, pursuant to Standing Order 43, I ask for the unanimous consent of the House to present a motion on an important and urgent matter.

Considering that the energy policies of this government will result in continuous increases in the price of oil, gasoline and natural gas, and particularly in a nearly immediate increase of 5 cents a gallon for gasoline, and considering that these increases cannot be sustained by low-income Canadians who are now affected by the anti-

inflation policy of the government, I move, seconded by the hon. member for Champlain (Mr. Matte):

That the House consider immediately the possibility of establishing a compensating discount on the price of heating oil, gasoline and natural gas to roll back the price of these essential products down to a level which makes them accessible to low-income Canadians.

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There being not unanimous consent, the motion cannot be put.

ORAL QUESTION PERIOD

[*English*]

ENERGY

OIL—SUFFICIENCY OF PRICE INCREASE TO GENERATE EXPLORATION—NO COMMITMENT TO PROVINCES CONCERNING EXCISE TAX ON GASOLINE

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Will the minister advise whether in his extensive discussions with the provinces and industries, which I am sure took place in setting the new prices for oil and gas, he received guarantees or assurances that these increases in price would be sufficient to generate the exploration and development to meet the goals put down in the energy strategy report? In other words, what I am seeking now is whether the price was arrived at in a random fashion, whether it was worked out in order to get the exploration that is needed or whether it is basically another source of tax revenue for the federal government?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, as I made quite clear in my statement last night, it was a negotiated settlement based on a number of factors; that is to say, the whole question of minimizing the inflationary impact on one hand and, on the other hand, to recognize the legitimate concerns of the producing provinces for revenues from a depleting resource. Third, it had to be a price that was high enough to bring on greater exploration and development. All of those points were made in my statement last night. I invite the hon. member to reread the statement.

Mr. Gillies: The minister did not answer the question that I raised, namely the relationship between the amount of the increase going to exploration and the expected amount of energy coming forth. In the minister's discussions with the provinces, was a commitment made to the consuming provinces that a change would be made in the excise tax on gasoline as a quid pro quo for the price arrangement that was finally arrived at?

Mr. Gillespie: On the last question the hon. member has asked, Mr. Speaker, there was no understanding of that kind about the excise tax. Let me make this quite clear when he raises the question of taxes. This is not a measure to increase the federal government's tax take. It is a measure designed to increase exploration and development in Canada, particularly in the frontier areas, the cash flow. If that investment takes place, the federal government's tax take will be only 3 per cent of the increase.

Mr. Gillies: Can the minister tell us whether in the discussions with which took place with the industry he received the impression the industry was satisfied that this change in price was sufficient to develop the cash flow the hon. gentleman believed to be necessary to get the exploration projected in the energy strategy report tabled on May 4?

Mr. Gillespie: As the hon. member must know by now, if the industry reinvests 50 cents of each dollar of the increase in the oil price in exploration they will have the benefit of that 50 cents and they will retain 3 cents in addition. The federal government backs right off so that its total take is only 3 per cent. That is only one of the measures the federal government has taken to stimulate exploration and development in Canada. The other set of measures I shall be bringing forward this afternoon; they will be announced jointly by myself and my colleague, the Minister of Indian Affairs and Northern Development (Mr. Buchanan). They deal with the fiscal regime, the land tenure regulations, Canadian participation, and a number of other important matters, all specifically focused upon additional exploration and development in Canadian lands and waters.

OIL—GUARANTEE FROM COMPANIES THAT ADDITIONAL MONEY GENERATED BY PRICE INCREASE USED FOR EXPLORATION

Hon. George Hees (Prince Edward-Hastings): As the oil and gas companies will be quite free to spend the increase in oil and gas prices in any of three ways, that is they can devote it to exploration, they can put it into reserve funds or they can pay it out in additional dividends. May I ask what guarantees the minister has received from the companies that this additional money which comes out of the pockets of the consumers of Canada will be spent only on exploration for additional resources?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Perhaps the best reason it will be spent on exploration and development is that it will be in the self-interest of the companies to spend in this direction.

Some hon. Members: Oh, oh!

Mr. Gillespie: If I might be permitted, I should like to finish my answer. I believe the hon. gentleman who asked the question is perfectly well aware that self-interest, the profit motive, is the most important generating force as far as business decisions are concerned and I think there is a built-in incentive for engaging in exploration.

The second reason I think there will be reinvestment in exploration is that we shall require, through legislation, mandatory reporting of their cash flows and how much of their cash flow is directed to exploration and development. The public of Canada will then be able to see whether or not those funds are in fact being devoted to the purposes which they, the companies, and we, the government, say are necessary.

Mr. Hees: As the government will obviously not know for many months, until it has had a chance to monitor the expenditures of the oil companies, how the money has been spent, I ask the minister how in the world he could agree to allow these companies to raise prices in absence of iron-bound guarantees from them that they will spend this extra money only in the way that they should, and that is by exploring for additional resources.

Some hon. Members: Hear, hear!

Mr. Gillespie: It comes to me as a great surprise that the hon. member should have forgotten all about incentives. He spends a good deal of his time in this House telling the government that they ought to put more incentives into our whole system; he has now turned his back on this completely.

● (1420)

Mr. Hees: The minister is absolutely right, Mr. Speaker. Any incentives that I have urged are the sort that are paid in exact proportion to the efforts that the people who are asked to do these things expend, not some vague promise that makes it possible that the money will be spent in some other way. Obviously the minister is wasting the consumers' money.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please.

* * *

INDIAN AFFAIRS

REQUEST FOR INVESTIGATION OF CHARGES OF CORRUPTION IN CALGARY OFFICE—SUGGESTION DEPARTMENTAL POLICIES NOT HELPING NATIVES

Mr. Wally Firth (Northwest Territories): Mr. Speaker, in the absence of the minister of Indian affairs may I direct a question to the Prime Minister. Not very long ago there was an apparent suicide of one Nelson Small Legs of Alberta. Before Mr. Small Legs apparently took his own life, he wrote the following words:

> I give my life in protest to the present conditions concerning the Indian people of southern Alberta. I also give my life in the hope of a full scale investigation into the department of Indian affairs corruption and also the resignation of Judd Buchanan, Minister of Indian Affairs and Northern Development, and the divide and conquer tactics present on each reservation.

I should like to ask the Prime Minister whether he will take this symbolic act of violence as notice that that department and its policies are not helping the native people as they should; and more specifically, would he see that an investigation is launched into the charges of corruption and mismanagement laid against the Calgary

office of the Department of Indian Affairs and Northern Development?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am afraid I do not know the details of this matter, but I must say that when a man gives his life for an objective I must respect that and regard it as a very serious matter indeed. I will look into it with all the earnestness that it deserves.

However, I would remind the hon. member and the House that, as a government, we did offer as long ago as 1969 to abolish the department of Indian affairs if that was what the Indians wanted. We made a clear proposition to them and also stated that, in view of their grievances against the department, we were prepared to change the act progressively in that way. The President of the Treasury Board was then minister, and the Indians specifically asked us not to do so. So, in a sense, we are complying with the Indians' own request to keep the department in operation and to continue treating the native population in a special way under the Indian Act. We are doing that at their request.

In the meantime we are trying to meet as many of their grievances as possible. We named Mr. Barber as Indian claims commissioner for a long period, and we are now in the process of negotiating, with various Indian bands in different regions, solutions to their problems.

Mr. Firth: A supplementary question, Mr. Speaker. What the Prime Minister is saying sounds fairly good to me, but the Indian people across the country are still meeting with frustration in their dealings with this department. It seems that the department is working hard to perpetuate itself without really responding to the wishes of the Indian people across the country. Would the Prime Minister please see that that department makes moves to prevent further violence happening again and that it responds more to the wishes of the native people of this country?

Mr. Trudeau: Well, Mr. Speaker, in view of my previous answer I must take exception to the suggestion of the hon. member that the department is seeking to perpetuate itself. I repeat that the proposal of the then minister was to the effect that the department should do away with itself, leading to the situation where the Indian population would be Canadians like everyone else and would be treated under federal and provincial laws just like everyone else. I repeat that it was at the request of the Indians that we did not proceed in that direction.

In the meantime, in addition to the various suggestions I have made, we have set up a meeting between the National Indian Brotherhood and a group of cabinet ministers to deal on a continuing basis with the grievances that worry the hon. member and many of us on this side. We have this continuing structure with them at the ministerial level in order to help them make up their minds, as Indians, what the best course in the future is. As the hon. member knows, the Indian people themselves are very much divided on where their future lies and we understand they do not want to take any hard decisions in that regard. For this reason we have not abolished the department. We are meeting with them and we have said we will time our own actions to suit their priorities.

[Mr. Firth.]

[*Translation*]

AGRICULTURE

DAIRYING—REQUEST FOR REDUCTION OF LEVY ON EXCESS OF QUOTA

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I wish to put a question to the Minister of Agriculture.

In view of the fact that industrial milk producers in the province of Quebec now have to throw away 25 per cent of their production and that sooner or later many of them will go bankrupt and that, as a result, there will be a decrease in the amount of milk and powdered milk, can the minister tell the House whether he is considering reducing the levy of $8.60 a hundredweight on the surplus of quotas before next September or October?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, it is wasteful if they are throwing away a product. I have not been made aware of this. There is no necessity for them doing it because they are wasting energy producing the product in the first place that has no market. They would be better not to be doing that. Many producers have cut back a great deal on production and are supplying the market in an orderly fashion, which is what we want them to do. If they do that they still can make money. We know that and they know that. No, I am not considering changing the levy.

[*Translation*]

REQUEST FOR NEW POLICY TO HELP INDUSTRIAL MILK PRODUCERS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I wish to ask a supplementary question.

If he did not know, I just told the minister that industrial milk producers now have to throw way 25 per cent of their production. Considering that heifers are hard to sell and that industrial milk producers cannot make money, I would ask the minister whether he would consider the possibility of establishing a new policy to help them on a temporary basis because of their lack of revenue due to the new dairy policy.

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, they have not been asked to cut production 25 per cent, they have been asked to cut it 15 per cent which would leave production practically the same as we requested last year. They know what markets there are and the provincial marketing boards know what markets are available for this production. This over-production does not make sense, unless we have an orderly, world distribution system. That is not totally my responsibility but is totally a world responsibility in which we would require all governments establishing monetary funds in order to carry out distribution to the needy people of the world. It is not the farmers' or the minister's responsibility to do that. Until we have that kind of a system it can be very wasteful, to repeat, to produce a product that has no known home.

AIR TRANSPORT

REACTION TO MINISTER'S OFFER TO BROADEN TERMS OF REFERENCE OF INQUIRY INTO USE OF BILINGUAL AIR TRAFFIC CONTROLLERS

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is directed to the Minister of Transport and refers to a question of yesterday. In view of the positive response last evening of the spokesman for the air traffic controllers welcoming the minister's offer to broaden the terms of reference of the public commissioner, has the minister approached the commissioner or the interested parties to see whether such action on his part would facilitate solutions to the outstanding issues, or was his offer just a gesture?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I am sure the hon. member does not mean to add that kind of final phrase, and I would be glad if he would refrain from doing it.

Some hon. Members: Oh, oh!

An hon. Member: You are very touchy.

Some hon. Members: Oh, oh!

An hon. Member: You are not back in the classroom.

Mr. Lang: I simply meant, Mr. Speaker, that he is sometimes better than that. I expect to meet representatives of the controllers this afternoon.

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, will the minister be taking steps this afternoon when he does meet the Commissioner to extend the time so that all parties directly concerned may reach a solution, especially in light of the complexity of developing satisfactory procedures for IFR through the simulator which, by some accounts, has not yet been activated and made operational?

● (1430)

Mr. Lang: Mr. Speaker, the accounts are largely wrong. I am sure the hon. member did not mean to misunderstand me. I did not mean that I was meeting the commissioner this afternoon but rather the representatives of the controllers. I would like him to be more specific about what he wants in respect of an extension of time since the time is indefinite.

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ADMINISTRATION OF JUSTICE

ALLEGED DEFRAUDING OF UNEMPLOYMENT INSURANCE COMMISSION—INQUIRY AS TO CHARGES

Mr. Tom Cossitt (Leeds): Mr. Speaker, in the absence of the Solicitor General I should like to direct my question to the Minister of Justice. Could he confirm to this House details concerning the recent extensive defrauding of the Unemployment Insurance Commission of thousands of dollars which was investigated by the Royal Canadian Mounted Police. Could he also tell the House whether charges will be laid against bogus companies and individuals involved in addition to charges already laid against Gordon Gunn of Ottawa last Friday.

Mr. Hugh Poulin (Parliamentary Secretary to the Solicitor General): Mr. Speaker, in the absence of the Solicitor General I should like to advise the hon. member that I do not have the particulars of the allegations in respect of charges to which he has referred. We will look into it, study it and advise the hon. member of whatever the charges are.

* * *

UNEMPLOYMENT INSURANCE

REQUEST FOR REPORT ON INVESTIGATION OF ALLEGED FRAUD—POSSIBILITY OF CHARGES

Mr. Tom Cossitt (Leeds): Mr. Speaker, my supplementary is directed to the Minister of Manpower and Immigration. Is the minister in a position to provide the House with full details of the investigation carried on by his officials in co-operation with the Royal Canadian Mounted Police into the extensive defrauding of the Unemployment Insurance Commission, particularly in Ottawa, and can he tell the House when charges will be laid against all those involved in addition to those laid against Gordon Gun of Ottawa.

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I can only indicate to the hon. member, as he pointed out, that this matter is under investigation by the Royal Canadian Mounted Police. Until they have completed their investigation I think it would be a disservice for me to make any detailed comment. Charges, if they are warranted, will be laid. We will encourage that course if that is the case, but we have to await their investigation.

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FINANCE

NUMBER OF OUTSIDE EXPERTS RETAINED TO HELP PREPARE BUDGET—MAINTENANCE OF BUDGET SECRECY

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Finance. As it is understood that the minister has retained certain outside experts to help him with his budget, would the minister indicate how many of these brains not in the public service have been retained, what type of concerns they come from and, specifically, what is their job in relation to the budget?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the hon. gentleman would be inexact in saying that in respect of the fiscal aspects of the budget. In respect of whether there have been any such outside retainers, it is true that the Anti-Inflation Board and the officials of my department have been in consultation with a number of people in the professions with regard to possible amendments to the anti-inflation program which I indicated would be announced at the same time as the budget.

Mr. Stevens: Mr. Speaker, as budget secrecy, certainly relative to tax changes or the spending plans of the government, is of uppermost importance, would the minister indicate what precise guidelines he has established to ensure continued secrecy of budgetary information as this is very much a pool effort behind the presentation of the budget.

Mr. Macdonald (Rosedale): Mr. Speaker, as I just said the discussion was not with regard to tax changes or government spending.

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NATIONAL DEFENCE

REQUEST FOR DETAILS OF STUDENT SUMMER EMPLOYMENT PROGRAM IN CAPE BRETON AND EXTENSION OF TIME LIMIT

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of National Defence. In view of the extremely serious unemployment rate on Cape Breton Island, would the minister announce as quickly as possible what programs will be available for students under the SEAP—the Student Summer Employment and Activities Program—in Cape Breton. I understand there are over 1,500 students in the Sydney district area alone registered for employment at the moment.

Hon. James Richardson (Minister of National Defence): Yes, Mr. Speaker; I will make that information known to the hon. member.

Mr. Muir: Mr. Speaker, I thank the hon. gentleman for his reply. I am wondering whether he would give consideration to extending the program under his department for more than eight weeks, so that at least a few students in every community on the Island would be given an opportunity to apply for some of these positions.

Mr. Richardson: Mr. Speaker, I can agree to look at that representation.

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TRANSPORT

FREIGHT RATES—INCREASE OF AGREED CHARGES ON POTATOES—INADEQUACY OF ROLLING STOCK

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, my question is for the Minister of Transport. In view of the fact that both the CN and the CP have served notice on New Brunswick and Prince Edward Island potato shippers that they intend to raise their agreed charge freight rates by 20 per cent on domestic shipments and 15 per cent on export shipments, as of July 1, would the Minister of Transport have a heart to heart talk with these servants of the national interest so as to convince them of the need for improved rolling stock to substitute for the antiquated and unacceptable railway cars now being provided by U.S. railways, when these are at all available, so that eastern potato growers can receive the same fair treatment accorded to the western wheat producer in this respect.

[Mr. Macdonald (Rosedale).]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I will be glad to raise the question of adequate equipment with the two railways. I perhaps should also make sure that the Canadian Transport Commission has taken note of the rate increase.

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CONSUMER AFFAIRS

ALLEGED REFUSAL OF RENEWALS OF CAR INSURANCE UNLESS OTHER TYPES OF INSURANCE PLACED WITH FIRM

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs, if I could get the minister's attention. Would the minister tell the House if a number of officials in his department have been investigating what has been described as a flood of complaints about the practice by a number of insurance companies of refusing renewals of car insurance unless the person applying for insurance would also agree to place his fire and life insurance with the same company.

Hon. Bryce Mackasey (Minister of Consumer and Corporate Affairs): Mr. Speaker, we are aware of the situation but have not been flooded with complaints.

Mr. Broadbent: Mr. Speaker, would the minister just answer the question. I asked him if his department is investigating this. I understand from reports that it is. If so, has he received a report from his officials and is he taking any action on this deplorable practice.

Mr. Mackasey: Mr. Speaker, as soon as I receive the report, if action is necessary I will be glad to take it. One of the limitations I find in my role as Minister of Consumer and Corporate Affairs is the quasi-judicial role of the investigator in respect of the Combines Investigation Act means that even I am prohibited from knowing what actions are being taken, if any, unless they are revealed by a third party. This is an embarrassing position to be in because it is very difficult to be forthright with the House.

Mr. Broadbent: Mr. Speaker, if it should turn out that this practice does contravene existing law, which I understand is problematical, and since such a practice really amounts to the consumer being held up to blackmail by the insurance companies because presumably the consumer has other insurance with another company, would the minister take steps to ensure that the law is changed so that the government would be in a position to stop this practice.

Mr. Mackasey: Well, Mr. Speaker, I think the hon. gentleman's representations are coming at a very appropriate time since the legislation is about to be changed. I certainly will give it full consideration.

IMMIGRATION

MEDICAL EXAMINATION OF IMMIGRANTS—GOVERNMENT ACTION TO ENSURE ADEQUACY

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. In view of the astronomical costs being encountered in respect of health care in the treatment of worms and intestinal parasites as well as sickness which, according to experts in the field, is becoming a widespread problem in urban areas, I should like to ask the minister, since this problem is brought into Canada mostly by immigrants from tropical countries, why proper examination and treatment is not carried out before entry of the person into Canada?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, there have been changes in the recent past with regard to examination of immigrants and indeed visitors destined to employment in Canada in terms of health. Those efforts have been stepped up very considerably in recent months. I would be glad to give the hon. member the full details of this and elaborate on it in a letter or make the situation public. There is a further difficulty which bothers us of course with regard to people who come here as visitors and then stay for other purposes, that is to take unauthorized employment. But here again steps are being taken to make it easier for employers, and more likely that they will be able, to identify people who are authorized or unauthorized in terms of the validity of their being in Canada. These steps combined with others will improve the situation which indeed concerns me, as it does the hon. member, although I am not sure it is as prevalent as he is indicating in his comments.

* * *

● (1440)

AIR TRANSPORT

POSSIBILITY OF CHANGES IN TERMS OF REFERENCE OF INQUIRY INTO USE OF BILINGUAL AIR TRAFFIC CONTROLLERS

Mr. Jack Murta (Lisgar): Mr. Speaker, I should like to direct a question to the Minister of Transport, and it is basically a supplementary question to the one asked earlier. The minister in his statement yesterday indicated a willingness to look at all aspects of safety. I should like to ask him now whether he could be more specific and indicate exactly what he meant. Is he willing to go as far as the air traffic controllers have asked him to go, that is to include all aspects of bilingualism?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I think that my answer yesterday speaks for itself adequately. I do not think it would be useful to attempt to spell out in detail what may be the nature of the first proposal, the reply, the second proposal, and later discussions today. I can say to the hon. member, however, that any aspect relating to safety, so far as I am concerned, is something we are certainly willing to establish satisfactorily, that we are concerned and that our procedures take it into account.

What I am not willing to do is to treat as a bargainable issue a matter which must be a matter of government policy or indeed, in parallel business terms, a matter for management, and that is the fundamental issue of a policy decision about whether or not to provide certain service in a bilingual way. That is a policy decision which the government will take and, with the co-operation of this parliament will continue to take, and that does not become a bargainable issue.

* * *

[*Translation*]

SPORTS

POSSIBILITY OF CANADA CUP HOCKEY GAMES AT QUEBEC CITY

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a question to the Minister of National Health and Welfare.

On May 7 last, the minister made a statement about the Canada Cup and said that the games would probably be held in Montreal, and Toronto if a satisfactory agreement could be reached with them, and that possibly one or two games might be held in Quebec City. Is the minister in a position to say to the House today whether such agreement has been reached and whether there will be some hockey games of that series in Quebec City?

Hon. Marc Lalonde (Minister of National Health and Welfare): The organizing committee has the firm intention of scheduling at least one game and perhaps two in Quebec City. I do not know, however, if a formal agreement has been signed, but as far as the organizing committee is concerned, there is no doubt that it will do its utmost to hold at least one game in Quebec City which, as you know, has many hockey fans.

* * *

INDUSTRY

TEXTILES—POSSIBILITY OF UNION REPRESENTATION ON COMMITTEE TO ESTABLISH NEW POLICY

Mr. Yvon Pinard (Drummond): Mr. Speaker, in the absence of the Minister of Industry, Trade and Commerce, I will direct my question to his parliamentary secretary; it is about the recent establishment of a special committee to review the whole Canadian textile and clothing policy. As this committee must report to the minister before June 30 next, and following the interesting meeting last week between CSD representatives and several government members on the matter, will the participation of a union representative on this committee be encouraged to ascertain the constructive and useful views of workers in this major industry who are interested in the safety of their employment?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, I think I must first outline the composition of this advisory committee: three senior executives of the textile industry, three senior executives of the clothing industry, one provincial

representative each from Ontario, Manitoba and Quebec, and three representatives of the Department of Industry, Trade and Commerce. I want to mention that we have no objection to some members of this advisory committee consulting the unions concerned. A first effort has been made to call the initial meeting for May 25, and the next meeting will be held on June 7 with some members of this advisory committee.

* * *

[*English*]

AIR TRANSPORT

PROVISION OF SERVICE TO BRANDON, DAUPHIN, YORKTON AND SASKATOON—GOVERNMENT ACTION

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, my question is for the Minister of Transport. Since Skywest has been a dead issue for some four or five months and the provinces are apparently not willing to enter into any arrangements with the federal government because of some stipulation which the federal government is apparently making, would the minister indicate what are the immediate prospects of providing air service to the communities of Brandon, Dauphin, Yorkton and his own constituency, Saskatoon, via feeder lines?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the work is going on with regard to what might be required in the way of particular facilities on those routes. I hope to be in a position to say something definitive before very long.

Mr. Korchinski: May I ask the minister whether he is consulting any airlines, and is he considering the purchase of a Russian plane Ilyushin 21? Is he still prepared to provide financial assistance to provide this service, even without provincial participation, and what deadline is he aiming for?

Mr. Lang: Quite a wide range of consultations are going on. It is not our intention to acquire aircraft ourselves, and the type of aircraft which any carrier might offer is itself part of the discussion, but it would largely be the responsibility of the carrier, depending on the type of service required.

* * *

AGRICULTURE

ALLEGEDLY CONTRADICTORY STATEMENTS CONCERNING IMPORTATION OF EGGS BY MARKETING AGENCY—REQUEST FOR CLARIFICATION

Mr. R. E. McKinley (Huron-Middlesex): Mr. Speaker, I have a question for the Right Hon. Prime Minister. I have before me a statement issued by the Minister of Agriculture that the Canadian Egg Marketing Agency should be considered the applicant and first receiver of imported eggs under constraints of a system of monitoring all transactions. At about the same time the Minister of Consumer and Corporate Affairs stated in the House that he was in no way in favour of CEMA being the first importer of eggs, even though it would mean an over-all lowering in the price of all eggs to consumers. Can the Prime Minister advise the House which of the two ministers was expressing government policy?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, they were certainly speaking very truthfully, one in defence of agriculture and the other in defence of the consumer. I think this is their role. I would point out to the hon. member that he would have to go beyond either statement because the importing permits are not issued by either of the two ministers, they are issued by a third minister, the Minister of Industry, Trade and Commerce. That would indicate to the hon. member that when we have a problem such as this, where ministers are supporting conflicting interests, we solve them in cabinet in a way which is the most profitable for the Canadian people.

* * *

CONSUMER AFFAIRS

ALLEGED CHANGE IN INDICATION OF COUNTRY OF ORIGIN OF IMPORTED EGGS—GOVERNMENT POSITION

Mr. R. E. McKinley (Huron-Middlesex): While we are waiting for the Minister of Industry, Trade and Commerce to come back, may I put a supplementary question to the Minister of Consumer and Corporate Affairs. Why is it that eggs which come to Canada from the United States are marked "product of U.S.A.", but when they get to the Canadian consumer they are marked "made in Canada"?

Some hon. Members: Oh, oh!

Mr. McKinley: Why should consumers pay Canadian prices for these cheaper imported eggs from the U.S.A.?

Some hon. Members: Shame, Bryce.

An hon. Member: Think quickly now.

Hon. Bryce Mackasey (Minister of Consumer and Corporate Affairs): If the hon. gentleman told me that the stamp had been changed to "laid in Canada", I would understand him, but "made in Canada" with the rooster in the U.S.—I cannot even follow the logic. Under our system when there is a shortage of eggs in Canada, a quota of, I think, 100,000 dozen is brought in at a time from the U.S. and is considered part of the Canadian production.

Some hon. Members: Oh, oh!

Mr. Mackasey: This is clear and understandable in order to control the market. It is only when that number of eggs is still insufficient that ITC, as the Prime Minister pointed out, designate certain importers to increase the volume of eggs coming in from the United States in order to provide a sufficient quantity for the consumers of this country. Such action in no way affects the producer.

● (1450)

VETERANS AFFAIRS

EFFECT OF FAILURE TO INCREASE CEILING ON CASUAL EARNINGS OF THOSE DRAWING ALLOWANCES

Mr. Joe Flynn (Kitchener): Mr. Speaker, my question is for the Minister of Veterans Affairs. When considering the matter of the present ceilings on the casual earnings of veterans drawing war veterans' allowances, would the minister look into the possibility that the delay in raising the $1,500 ceiling on casual earnings actually reduces the monthly allowance paid to veterans on war veterans allowances?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, we had discussions the other day and the answer is still the same. The department is looking into this. We hope to be able to do some work on it in the near future and have it processed before too long.

* * *

HEALTH

ALLEGED DANGER FROM RED FOOD DYES—REQUEST FOR REPORT ON DEPARTMENTAL STUDY

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question is for the Minister of National Health and Welfare. Little more than two months ago the hon. member for Grey-Simcoe asked the minister if any conclusions had been reached concerning the danger from red food dyes in our foodstuffs. The minister replied that his department was considering in detail the studies made in the United States. I now ask the minister what has been the result of his department's study of the danger of red dyes in foodstuffs? What conclusions have been arrived at concerning this matter?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I do not know whether the hon. member has taken cognizance of the press release issued by me on February 2 on this particular subject. It was a nine-page press release which went into this issue extensively. I can only report to the hon. member that the conclusions expressed by my department in that press release have not changed.

Mr. Grafftey: Mr. Speaker, I have read the press release.

Some hon. Members: Hear, hear!

An hon. Member: You are one up on your colleagues.

Mr. Grafftey: I am not interested in press releases; however, I am interested in answers to questions by the minister in the House of Commons.

Some hon. Members: Hear, hear!

Mr. Grafftey: He was asked in the House to reply in the House and tell what dangers were identified in the study into these red dye in foodstuffs. Would he reply in the House and tell us what the general conclusions were?

Mr. Lalonde: Mr. Speaker, I am not asking the hon. member to be interested in press releases but in their content.

An hon. Member: Don't be smart!

Mr. Lalonde: If he went to the trouble of reading it, he would not need to ask the question. It is all there, he can read it if he wants. I would say that the concern expressed by the United States authorities was not substantiated by the available scientific evidence.

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EXTERNAL AFFAIRS

CANADIAN CONTRIBUTION TO COMMON FUND ESTABLISHED AT UNCTAD CONFERENCE—GOVERNMENT POSITION

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, in the absence of the Secretary of State for External Affairs I should like to address my question to his parliamentary secretary or to the Prime Minister. In view of the fact that on Monday the Secretary General of the Commonwealth referred to the common fund as essential to the success of the UNCTAD conference in Nairobi, and in view of the fact that the OPEC nations have now made a large commitment of money for the common fund, I should like to ask the Prime Minister whether Canada is now in a position to make a specific commitment and contribution to the common fund?

[*Translation*]

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, the hon. member who attended, I believe, the opening of the UNCTAD negotiations knows that Canada naturally approved in principle the setting up of a common fund. As for the details on participation to the fund, I shall be glad to inquire about them from the department; in any event, it would be more appropriate, if only because of my voice, for me to answer tomorrow.

[*English*]

Mr. Nystrom: Mr. Speaker, may I try a supplementary and say it is the money I want, not the voice. May I ask the parliamentary secretary whether the department is aware that in the opinion of many of those at the conference, if the common fund is not adequately supported, not only the UNCTAD conference but the north/south conference at Paris of which Canada is one of the chairmen, is in danger of breaking down?

Miss Bégin: Mr. Speaker, the hon. member will not get the money, it will go to the Third World countries! He knows very well the concern of the Secretary of State for External Affairs, who represents the Canadian government, and he knows the minister is going to use every platform to promote that idea both at the north/south conference in June and in Nairobi now through our officials there.

[*Translation*]

UNEMPLOYMENT INSURANCE

ALLEGED LOSS OF BENEFITS OF PERSON WHO FOUND WORK AND THEN LOST JOB

Mr. Armand Caouette (Villeneuve): Mr. Speaker, I should like to put a question to the Minister of Manpower and Immigration.

Does he agree that it is unacceptable and intolerable for a person to be disqualified for unemployment benefits simply because he had the courage and initiative to find himself a job that was terminated six weeks later because his employer went bankrupt? In fact, that individual was penalized because, instead of staying at home and living off unemployment benefits, he chose to work. Having lost his job because his employer went bankrupt, he can no longer get unemployment insurance because of the four-week break in his receiving those benefits. Does the minister agree that it it unfair to penalize the person who tries to find a job, and if so, can he tell us what solution he intends to suggest in the near future with a view to helping those who are in that situation?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I would need to have the details of that specific case. It sounds like a travesty to me if the facts of the hon. member are totally correct with regard to all the factors. If he will give me details, I shall be glad to look into it and give him a specific response. If there is an injustice I shall do my best to correct it.

* * *

AGRICULTURE

RESULTS OF STUDY OF RESPONSIBILITIES OF VETERINARIANS—GOVERNMENT ACTION

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, I have a question for the Minister of Agriculture. Has a study authorized by his department to examine all aspects of the responsibilities of veterinarians in the federal public service, especially the health of animals branch, now been completed? If it has, could the minister tell us whether the report recommends that the position of veterinarians in the public service be up-graded commensurate with their high responsibility for protecting the health of the livestock industry in Canada?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I am not one hundred per cent sure that it has been completed. I think it has been, but I certainly have not had time to study it. I am sure the hon. member knows that we want to make sure that these people, who are amongst the most dedicated civil servants in Canada and who have maintained a high profile for agriculture Canada especially with regard to health of animals, livestock diseases and poultry endeavours, are properly classified. They have one of the best records in Canada and we want to maintain it.

[Miss Bégin.]

PUBLIC SERVICE

SALARY OFFER TO VETERINARIANS—GOVERNMENT POSITION

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, a supplementary question to the President of the Treasury Board. In view of what the Minister of Agriculture has stated, and in view of the fact that 70 per cent of all wage settlements in the public service, as reported by the *Financial Times*, have been settled with increases of 20 per cent and more, and also in view of the fact that because of a 27 per cent vacancy rate in the health of animals branch the AIB guidelines do not legally apply, is the minister still insisting on his offer of 8 per cent or 9 per cent despite the fact that veterinarians' salaries have not kept up with inflation over the last five years?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): First of all, Mr. Speaker, I would like to point out to the hon. member that the statistics he is using are not true. Last year we settled with the federal civil servants for an average of 14.4 per cent; that was for last year, before the implementation of the guidelines. At this time, unfortunately, I have, in the case of all civil servants, to abide by the guidelines issued following the anti-inflation program which was adopted under an act voted by this House.

* * *

[*English*]

AIRPORTS

ILLEGAL IMMIGRANTS WORKING AT TORONTO—REQUEST FOR REPORT

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, I have a question for the Minister of Transport following upon a question I put to him a couple of weeks ago about illegal immigrants who were arrested and bound working at Toronto airport. Has the minister checked to see if all persons now working at airports, especially Toronto, who have access to security areas at these airports are in Canada legally and have security clearance?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the original question is being followed up but I do not have a report at this time.

* * *

NATIONAL ENERGY BOARD

REASON BOARD REFUSED TO ADMIT LETTER FROM MR. SEABORN CONCERNING ENVIRONMENTAL EFFECT OF GENERATING ELECTRICITY FOR EXPORT

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, I should like to put a question to the Minister of Energy, Mines and Resources. I have in front of me a copy of a recent letter received by the National Energy Board and written by Mr. J. B. Seaborn, Deputy Minister of the Environment, expressing anxieties about the possible environmental effects of power generation by Ontario Hydro for the export market. Can the minister tell the House whether he was consulted by the National Energy Board

before it decided to refuse to admit the letter as evidence at recent National Energy Board hearings, and can he further advise the House why this important piece of documentation was refused and under whose instructions it was refused as evidence?

● (1500)

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I did not in any way refuse to allow that piece of documentation to go forward to the National Energy Board.

Mr. Speaker: The hon. member is recognized for one supplementary question.

Mr. Jelinek: Mr. Speaker, I am not asking a supplementary, but repeating my request. The minister did not answer my question. The letter was received by National Energy Board from the deputy minister of the environment. My question is, why did the National Energy Board refuse to consider the letter as evidence at the hearing, and was the minister aware that the National Energy Board refused to consider such documentation?

Mr. Gillespie: Mr. Speaker, I am not aware of the details on a day-to-day basis of National Energy Board decisions of this kind. I think the hon. member will recognize that the National Energy Board, as a quasi judicial body, has a great deal of independence for the making of its own decisions.

Mr. Cossitt: Mr. Speaker, I rise on a point of order to do with the reply of the Minister of Manpower and Immigration (Mr. Andras) to the question I asked him regarding the defrauding of the Unemployment Insurance Commission and when further charges would be laid. He advised the House that the making public of such details could possibly prejudice an investigation in progress. We all share that sentiment, but my point of order is this. I am sure the minister did not intend to mislead the House intentionally. I should tell the House that as 1.15 this afternoon I was informed by sources in the Royal Canadian Mounted Police that the investigation was complete and the raising of it in this House would in no way prejudice the matter.

Mr. Speaker: Order, please.

Mr. De Bané: Mr. Speaker, I rise on a point of order and I ask the House to give unanimous consent for a question to be asked of the Prime Minister (Mr. Trudeau) concerning the tragedy in Lebanon. I am sure all hon. members of the House would grant me the indulgence to ask that question.

Mr. Speaker: Order, please. It is clear that such a procedure would depart entirely from the practices we follow on a daily basis. Every day members wish to ask questions which are urgent to them, to their interests or the interests of their constituencies, and each day a number of members fail, in the ordinary course of rotation, to gain the floor. I suggest that if such a question is asked at this time, it should be entirely understood that it is only done with the unanimous consent of the House. Is there unanimous consent for the hon. member to ask the extra question on the subject indicated at this time?

Some hon. Members: Agreed.

An hon. Member: No.

Mr. Speaker: Order, please. There is not unanimous consent.

ROUTINE PROCEEDINGS

[*English*]

AGRICULTURE

Fifteenth report of the Standing Committee on Agriculture—Mr. Daudlin.

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

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ADMINISTRATION OF JUSTICE

TABLING OF LAW REFORM COMMISSION REPORT ON SUNDAY OBSERVANCE

Hon. Ron Basford (Minister of Justice): Mr. Speaker, pursuant to Standing Order 41(1), I wish to table in both official language copies of the Law Reform Commission Report on Sunday Observance.

* * *

NATIONAL DEFENCE

CANCELLATION OF OPTION TO BUY LOCKHEED "ORION" AIRCRAFT

Hon. James Richardson (Minister of National Defence): Mr. Speaker, at a meeting of the cabinet held yesterday evening it was agreed that the Lockheed Corporation should be informed immediately that the government would only be able to proceed with the purchase of 18 Lockheed long range patrol aircraft if the Lockheed Corporation could provide the required bridge financing.

It was agreed by cabinet as well that if the Lockheed Corporation could provide the required bridge financing, the government would proceed with the purchase of 18 LRPA aircraft from Lockheed.

Yesterday evening, following the cabinet meeting, my colleague, the Minister of Supply and Services (Mr. Goyer), who has the responsibility of negotiating the contract on behalf of the government, met with Mr. Bill Wilson, executive vice-president of the Lockheed Corporation, and informed him of the government's decision. Mr. Wilson advised the Minister of Supply and Services that Lockheed was unable to provide the required bridge financing, and for that reason the government has now abandoned its plans to complete that specific purchase contract with Lockheed.

Mr. Leggatt: It's about time.

Orion Cancellation

Mr. Richardson: I also wish to advise the House, Mr. Speaker, that prior to these decisions, in spite of the best efforts of all parties concerned, it was not possible to make arrangements whereby Lockheed could conclude a financial agreement with the Canadian banks. Also, it was not possible to accommodate the purchase of the Lockheed LRPA by direct financing without an undue distortion of the government's planned program of expenditure.

At the cabinet meeting yesterday evening to which I have referred, the government confirmed its commitment to contribute its share to collective security and emphasized that the decision not to purchase the Lockheed LRPA did not in any way diminish this commitment.

Anti-submarine patrol continues to be an important task for the Canadian armed forces, and it will continue. It had been planned, even if the Lockheed purchase did proceed, to continue to use our fleet of Argus aircraft on anti-submarine patrol until 1980. The Argus aircraft will, therefore, continue in the anti-submarine role as planned, and the government will immediately renew the search for the most effective way to replace the Argus.

An hon. Member: Put wings on a crowbar.

An hon. Member: Are you volunteering?

Mr. Richardson: That search will, of course, include any renewed and financeable proposal by the Lockheed Corporation.

Finally, the government wishes to express its appreciation for the full and willing co-operation it has received from the United States government during the period of negotiation with the Lockheed Corporation.

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, most farces end as fiascoes, and the government farce of re-equipping the armed forces, using promises instead of money, has ended in the predictable fiasco.

I believe that the opposition, in the months leading up to this denouement, has shown a responsible attitude in the questioning and debating both in the House and in committee. In fact more leadership and more understanding concerning the LRPA project have been evident on this side than on the government side. We have, by our questioning and comment, brought out into the open the disadvantages and dangers of the financial arrangements of the Lockheed deal.

It is difficult to pick the proper modifier to describe the performance of those in the cabinet who were involved in this debacle. One can choose between bumbling, obstinate, inept, naive, deceitful, incompetent, and misleading. In fact they are all true.

First we have the Minister of National Defence (Mr. Richardson) in November, 1975, at the end of the $12 million worth final definition phase, announcing that a decision had been made to buy the Lockheed LRPA. He could not wait another few days for the contract signing, but must rush off to NATO to seek praise for his efforts. That piece of vainglorious, self-serving immodesty, will be long remembered by our long-suffering NATO allies.

Then, the hapless Minister of Supply and Services (Mr. Goyer) who, although a senior civil servant from his department served on the LRPA project staff, was himself never informed that the Department of National Defence did not have the money budgeted to fulfil its financial obligations; nor was he informed that Lockheed could not fulfil its real or imagined—depending on whether you believe the Minister of National Defence or Lockheed—commitment to provide money for interim financing. The position of the Minister of Supply and Services was somewhat further weakened when the official in charge of the project informed the Standing Committee on External Affairs and National Defence that the cabinet had been informed of the problems prior to November 27.

● (1510)

The unkindest cut of all came from the one in charge of this ship of fools, the Prime Minister (Mr. Trudeau)—

Some hon. Members: Hear, hear!

Mr. McKinnon: —who, in reply to a question in the House, put the whole blame on the Minister of National Defence by saying that minister was responsible for the financing and the execution of the contract, which leaves us wondering if the Prime Minister was only trying to save the Minister of Supply and Services, or is he really ignorant of the role of supply and services in such a situation?

Other ministers played their part. Judging from his answers in the House, the President of the Treasury Board (Mr. Chrétien) was obviously not consulted before the matter was before cabinet on November 27. Equally, the Minister of Justice (Mr. Basford) was not consulted concerning the legality of the government paying interest on the bank loan to Lockheed; whether this loan was not in fact a loan on behalf of the government and thus required parliamentary approval was quite apparently not brought to his attention until after the government had announced its support of such a dodge.

Concerning this loan, we have had the unedifying spectacle of the Minister of Supply and Services saying that such a loan would be repaid to the banks if Lockheed defaulted. At the same time he and all other interested ministers were devoutly stating that there would be no guarantee of the loan.

Casey Stengel once, when managing a very poor team, called them together and said, "Doesn't anyone here know anything about this game?" It is now time that someone called this group of minor leaguers, playing in the big leagues, together and told them what is expected of the team in charge of Canada at this time.

Some hon. Members: Hear, hear!

Mr. McKinnon: Unfortunately the manager in this case seems as incompetent as his players.

In the last several months the Minister of National Defence has been frequently questioned about alternatives if the Lockheed LRPA scheme failed. His answers seemed to indicate it would show a lack of faith in Lockheed to consider alternatives. The Conservative party has always supported and will continue to seek an early and rational replacement for the Argus.

Some hon. Members: Hear, hear!

Mr. McKinnon: I do hope the minister's myopia in this regard will be speedily cured and perhaps the next scheme produced will be rational. I hope it will not be accompanied by the means of self-praise that we were subjected to last December.

I must confess that I was never greatly concerned about the Canadian banks involvement in this deal. Their management is far more capable and far more astute than is the management of the government at this time.

Mr. Speaker: Order, please. I should remind the hon. member that he has already gone some distance past the time taken by the minister.

Some hon. Members: Oh, oh!

Mr. McKinnon: Mr. Speaker, I can only say that this is a $1 billion arrangement about which we are speaking, although the minister responsible cut his time, and I ask the indulgence of the House to carry on for about two more minutes.

Some hon. Members: Hear, hear!

Mr. McKinnon: The attitude of the banks was best summed up by the president of one member of the consortium who said, "No banker in his right mind would lend money to Lockheed without an iron-clad government guarantee". Therefore, Mr. Speaker, the Minister of National Defence has blown $12 million for a final definition phase, plus $16 million for work in progress, plus the cost of the LRPA project office, some $6 million, plus the possibility of a suit by Lockheed; $34 million for sure, and maybe more. And there is nothing to show for it. In addition the minister made a fool of himself on the world stage at NATO last December and greatly eroded Canada's reputation as a responsible nation and ally. Now he has lost the confidence of the cabinet, which is the prime requisite for holding cabinet rank.

What is to become of a minister who shows his unsuitability for his portfolio in such a graphic and expensive manner, rests with the minister and the Prime Minister for the good of the Department of National Defence, and for the sake of Canada's reputation among our allies, the minister should offer his resignation.

Some hon. Members: Hear, hear!

Mr. McKinnon: He has let down the forces, misled our allies, and wasted $34 millions of the taxpayers' money. He should now move on to lesser things.

Some hon. Members: Hear, hear!

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, listening to the statement by the Minister of National Defence (Mr. Richardson) to the House this afternoon, both in tone and substance, I thought I was listening to the cancellation of a Sunday afternoon church social instead of the cancellation of a project that is going to cost the Canadian people anywhere from $16 million to $30 million, without getting us one aircraft. That is the implication. Money is going right down the drain. The minister is responsible for it, yet he is not at all concerned. Apparently his cabinet colleagues are, because there is not one left in the House.

Quite apart from the financial mismanagement, there is the very serious military implication. Our armed forces have been waiting, not for months, but for years for a suitable replacement for the Argus aircraft. Therefore we are short militarily, losing millions of dollars, and the minister sits there smiling in benign indifference. Surely something is wrong.

The minister said in his statement that the project has been cancelled because of the incapacity of Lockheed to provide bridge financing. Possibly the minister really thought he was purchasing bridges at one point, and that led to a real entanglement.

Some hon. Members: Oh, oh!

Mr. Broadbent: The minister knew at least five months ago that the Lockheed Corporation was not in a position to provide that financing. I wish to quote two instances in the House when the minister spoke in rather calm tones about the seriousness of the situation. With reference to negotiations that had taken place some weeks and months prior, the minister said, as recorded in *Hansard* for March 26:

> There was a difference between the amount of funds available in the national defence budget and the progress payments required by Lockheed. We explained this and were told by Lockheed that the difference could be financed by them. Subsequently they told us they could not do it. That is all there is to the misunderstanding. It is serious, but easy to explain.

It is serious alright, but I am not sure it is easy to explain. With reference to his earlier knowledge of his financial position of the Lockheed Corporation the minister said, and I quote:

> We then made our decision and entered into detailed negotiations. It was in the final negotiations that it became apparent that what Lockheed had told us they could do they were unable to do.

That is with reference to negotiations and discussions that were taking place last fall. This process of negotiating, ordering, purchasing, and subsequently cancelling the purchase has been a colossal bungle from start to finish. The minister should have got commitments in writing last fall not verbal commitments on the kind of interim or, as he calls it today, bridge financing which was so essential to the whole project.

I support entirely the observation made by the spokesman of the Conservative party that this minister should resign. If ever there was a case of ministerial incompetence, we have had it clearly demonstrated here today. The minister came before the House and announced that a project for which he has been fighting, almost ad nauseam, without sufficient knowledge, is going down the drain.

I want to speak very briefly on the alternative because that is something the government must deal with, and deal with quickly. I hope I have not used all the time that my predecessor used: I will be one or two minutes more at most.

● (1520)

In the view of the NDP there has always been a more sensible alternative to committing ourselves to the $1.1 billion envisaged for the Orion deal. It is one which fits in with the No. 1 priority set out by the Department of

National Defence in the white paper back in 1971, that priority being the surveillance of our own territorial coastline. The Orion of the kind the minister wanted to purchase had basically nothing to do with that function; it had everything to do with Canada's NATO commitment. We say the government should practice what it preaches and take care of our No. 1 defence priority, which is the surveillance of our own coastline, in order to protect our fisheries or to spot submarine activity.

We are putting forward a straightforward proposal which makes both military and economic sense. The government could refit a dozen or so Argus aircraft—

An hon. Member: Oh!

Mr. Broadbent: I hear cries of "Oh" from one member of the Conservative Party. I notice it is not their defence critic. Add to that, 18 or 20 Dash-7s produced by the DeHavilland Corporation, thus producing jobs for Canadians in Montreal and Toronto, and you have a package which would cost about $400 million only, and which would adequately meet the demands of our No. 1 defence priority. That is our suggestion to the minister, and I hope he acts on it.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, it is strange, after all, that in Canada the Lockheed Corporation should continue for sometime to make the headlines. In all other countries, for at least a year, we have heard that this corporation had been involved in many scandals where politicians were mixed up. Here in Canada, it is the reverse situation. It is the federal government, which will, in the end, pay at least a subsidy directly to the Lockheed Corporation, a subsidy of $16 to $30 million, which will be a loss for the country.

Today, the minister just said that the financial position of the corporation was not good enough to gain the confidence of financial institutions in Canada to achieve this project of the Canadian government.

Yet no later than a few days ago, the situation looked pretty rosy and now we are told that it all seems hopeless. Mr. Speaker, I cannot blame the government for not proceeding with the purchase of those aircraft, as they may have realized that too late, unfortunately and the opposition seems to agree that we realized too late that the government was getting involved into a rather risky venture. However, as they say, better late than never. That may be why the government has decided to cancel the deal. But what upsets me greatly, Mr. Speaker, is to note that the two Lockheed main consultants are both former senior members of the civil service of Canada.

It would be interesting to delve further into that matter to know what role was played by those two former federal government officials who have become consultants for Lockheed. Perhaps the cabinet or some ministers were mislead by the recommendations of those officials who are now on the other side of the fence.

Mr. Speaker, I do not believe that because of the statement made by the minister today we will know all about this important matter which resulted in a loss of between $16 and $30 million for Canadians and which is why we are now further back than we were seven or eight months ago in our national defence.

Mr. Speaker, in conclusion I would like to say that it is another evidence that we are at the mercy of strangers, that we are unable to solve our transportation problems, both in our merchant navy and our aviation, and as long as we will be at the mercy of foreign companies or governments, we are likely to suffer economic conditions such as those we are faced today, just like small fishes in a big lake.

[*English*]

Mr. McKinnon: Mr. Speaker, I should like to direct a couple of questions to the Minister of National Defence in connection with his statement. I might say that I address them to the Minister of National Defence in the absence of the Prime Minister, the President of the Treasury Board—

Mr. Speaker: Order. I would remind hon. members that the Standing Order under which we receive statements by ministers indicates that following the statement questions are permitted, at the discretion of the Chair, directed only to the minister who makes the statement, so there is no possibility of questions being directed to other ministers at this time.

Mr. McKinnon: Maybe then I can compliment the Postmaster General (Mr. Mackasey) on sticking with the Minister of National Defence.

Some hon. Members: Hear, hear!

Mr. McKinnon: Yesterday the Prime Minister said that, using the hypothesis we would not proceed with the Lockheed deal, the government would consider other alternatives. Would the minister enlighten us with regard to any other known alternatives which are acceptable to the Minister of National Defence? If there are any, does he have the support of his colleagues for these alternatives, or even a mandate to proceed?

Mr. Richardson: Yes, Mr. Speaker. We clearly have a mandate to proceed, and this was referred to in my statement. I indicated that not only would we look at other alternatives but also that we would consider any renewed and financeable proposal by the Lockheed Company. We shall look at all the alternatives which have been discussed, including the continuation of the Argus, and any suggestions which may be made by the Boeing Company for a less expensive long range patrol aircraft. We are looking at those possiblities on an urgent basis now, because our commitment remains the same—to replace the Argus and to continue our anti-submarine role to meet our commitments to NATO.

Mr. McKinnon: I am pleased the minister has gone further than he did in his written statement which I received at 1.30. Throughout the last few months we have constantly heard about the willingness of the government to table the documents as soon as this could be done without harming us in the negotiations. I now ask the minister when he would be willing to table these documents concerning the contract, as well as the contract itself. I would remind him that someone has "blown" $34 million; the country and the opposition have a right to

delve into this matter by perusing the original documents to find out where the truth lies.

Mr. Richardson: The contract is the direct responsibility of the Minister of Supply and Services, but it has not come into effect. We were to table it when it was in effect and fully signed, but there is no point in tabling a contract which has not been executed.

Some hon. Members: Oh!

Mr. Baker (Grenville-Carleton): Mr. Speaker, the Minister of Supply and Services (Mr. Goyer) is not in the House and therefore we cannot ask him this question—

Mr. Speaker: Order. May I again state the rules for the benefit of hon. members? Standing Order 15(3) reads as follows:

On statements by ministers, as listed in section (2) of this Standing Order, a minister of the Crown may make a short, factual announcement or statement of government policy. A spokesman for each of the parties in opposition to the government may comment briefly thereon and members may be permitted to address questions thereon to the minister.

There is no provision, as hon. members will see, for questions to be directed to other ministers.

Mr. Baker (Grenville-Carleton): I thought I was just repeating the rule, Mr. Speaker.

Some hon. Members: Oh!

Mr. Baker (Grenville-Carleton): My question is directed to the Minister of National Defence (Mr. Richardson), who is here. Would the hon. gentleman undertake to consult with his colleague, the Minister of Supply and Services, to determine whether or not it would be permissible for this document to be tabled in the House under Standing Order 41, whether it is signed or not, so that parliament and the people of Canada might have an opportunity to look into what is one of the biggest fiascoes in Canadian defence or financial history?

Mr. Richardson: I will, of course, consult with my colleague. I do not believe that a contract which has not been executed should be tabled, but I am prepared to leave it to his judgment.

Mr. Nowlan: Both the Minister of Finance (Mr. Macdonald) and the newspapers have indicated that we are talking about a deal with Lockheed involving about $1.1 billion. I was wondering whether the minister could not give us a little more detail than was contained in his statement today so that the Canadian public might appreciate what is involved, not only in the Lockheed proposal but in some of the other areas which are under consideration.

● (1530)

The minister says in his statement that he will renew the search for the most effective way to replace the Argus. The minister has not started to come close to it. I should like to ask him what is the range of cost options of the various other proposals that have been studied over the last ten years, namely, the Boeing 707 proposal, the Phoenix proposal, the Argus refit proposal, and the P3C proposal, which is an off the shelf aircraft built by Lockheed. Any of these other proposals will cost the Canadian public a very large figure.

As a supplementary question, in the range of options for an effective replacement for the Argus, and supplementary to the question asked by my hon. friend from Victoria about the government's commitment, would the minister tell the House what timetable will be followed in searching for a new proposal, since it has already taken the government 10 years to get this far?

Mr. Richardson: Mr. Speaker, if I may answer the second question first, I indicated that in our present planning, even if we had been able to finance and purchase the Lochheed aircraft, we were going to use the Argus fleet until well into the summer of 1979, probably into 1980. That arrangement will continue. We will meet our anti-submarine obligations in that way, exactly as we would have had we made this purchase.

I said a moment ago that we will be proceeding on an urgent basis to find an effective replacement for the Argus, and hopefully that replacement will follow on within the same timetable, or very close to it, unless we decide that the most effective route is the one that the hon. member has suggested. He did make mention of the Phoenix proposal, and that included in part refurbishing some of the Argus aircraft. It was a mixed fleet concept involving other aircraft of long range and some of shorter range capability. It was a very attractive proposal, but one of the disadvantages was the cost of extending the life of the Argus itself. I am sure that we will have to face that increased cost again as we look at the alternatives before us.

Another alternative which we examined exhaustively was the Boeing 707. In round figures it was $400 million more to purchase the Boeing than the Lockheed, and also its operating cost was very much higher, particularly at low level. That was the reason for ruling it out. But this does not mean that we could not have some modified proposals from Boeing, using perhaps one of their smaller jets equipped with long range fuel tanks, or some variation of that kind. These are the kind of proposals that we will be examining.

Mr. Nowlan: I have a final supplementary question, Mr. Speaker. I realize other members want to ask questions on this important matter but I think we should have some clear understanding of some of the problems the minister faced. I also think there should be no misconception on the part of the Canadian taxpayers that some other proposal is going to save us x million or x billion of dollars. The other proposals or options are all in round figures, and these will change with inflation every year.

Having searched for 10 years, would the minister tell the House what the cost has been to date of the whole of this evaluation and revaluation process that has gone on? The hon. member for Victoria spoke in terms of $16 million being spent on the Lockheed project so far, some $6 million on the LRPA office project, and he made reference to the penalty. I am talking about what went on in the years before. Having gone through this trial of searching for the most economic and effective replacement for the Argus,

does the minister really think we will end up with anything that is better?

Mr. Richardson: Mr. Speaker, it is, of course, not possible to give detailed cost figures for the alternatives because in recent weeks and months we have not been looking at alternatives. We have been working to complete the Lockheed purchase but we have been unable to do so because of their inability to finance the interim payments. I cannot go into further detail than I have already in describing in round figures the cost of the Boeing.

I should like to respond not only to the hon. member but to what the hon. member for Victoria said about the costs that we have already incurred. I believe the hon. member for Victoria said that we have nothing to show for it. Well, Mr. Speaker, there is something to show for it. I should like to put on record the fact that the Government of Canada is the legal owner of the design and project work that is represented by this figure. A portion of this preliminary design work will be common to the avionics system acquired by the government for any long-range patrol program. In short, some value has been received.

Because I think it is important to know what has taken place, I should like also to point out that as far back as 1972 both the Boeing and Lockheed companies placed work in Canada which was related to the long-range patrol aircraft program. Lockheed has placed in Canada to date some $48 million of work and Boeing some $35 million of work, for a total of $83 million of industrial benefit that is related directly and is credited to the long-range patrol program that has just terminated, so it is not accurate for the hon. member for Victoria to say that we have nothing to show for it.

Mr. Broadbent: Presumably, Mr. Speaker, we will have $16 million worth of photographs. I noted two additional references that were added to the copy of the text that we had in advance regarding the possibility of another purchase from Lockheed. If I am correct in assuming that the minister does not purchase any aircraft from Lockheed, would the minister confirm that we will have to pay Lockheed a minimum of $16 million? Is there any amount additional to the $16 million that we will have to pay? Finally, would we have had to pay anything had we not signed an agreement, symbolically enough on April 1?

Mr. Richardson: Mr. Speaker, again these negotiations are the direct responsibility of my colleague, the Minister of Supply and Services, but I can reply that the figure of $16 million is not a minimum; it is a maximum figure under the arrangements which my colleague made. In addition, I do not believe that that is necessarily the figure that we will have to pay. I understand from him that there will be negotiations with the Lockheed company to see whether in fact the total funds have been spent. So it will either be $16 million maximum or something less than that.

To answer the second part of the question, it was really to preserve our interests under the contract that he made that arrangement. If we had terminated the contract that had been negotiated up until then, we would have lost, as we have now, the industrial benefits. We would have lost the price that had been negotiated. It was for that reason that we agreed to put the contract into escrow to see whether Lockheed would be able to achieve this bridge financing through Canadian banks.

Mr. Broadbent: The fact that the government signed that contract on April 1 seems extraordinary to a number of us, given the previous record. Is the minister saying that the development work to which the government now has copyright is worth $16 million? Is the minister telling us that these rights would be worth that in any commercial sense?

● (1540)

Mr. Richardson: No, Mr. Speaker. I am saying this is worth something.

An hon. Member: How much?

Mr. Richardson: That will have to be measured. It would not be the full amount, but I was responding to the statement that we have nothing to show for it. We do have something to show for it.

Mr. Jones: Mr. Speaker, this is a very serious matter and I do not think it should be considered lightly. It is probably one of the more serious matters that this House has considered, involving the defence of our nation. I should like to know whether the interim financing, the so-called problem, was the only real reason the deal with Lockheed fell apart? If there are no documents, agreements or written arrangements, why is Canada responsible to Lockheed for what some suggest is $16 million and others suggest is $34 million? Why are we responsible for any amount, and is it true that this amount, or some part of it, has already been paid to Lockheed, and how much?

Mr. Richardson: Mr. Speaker, these are areas to which I cannot respond directly because I do not carry out the negotiations of the contract. The total amount, as I have said, will not be more than $16 million. It will have to be negotiated by the Minister of Supply and Services, and it could very well be below that figure.

Mr. McGrath: Mr. Speaker, a week or so ago in reply to my colleague, the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall), regarding the deployment of search and rescue aircraft in Canada on the west coast and, more especially, in our own province of Newfoundland, which would help save lives and cut down the action time—we have already lost over ten fishermen this year—the minister said this would not fit the cost effectiveness. Can the minister explain the rationale and show how the writing off of $34 million fits into that cost effective philosophy of his?

Mr. Richardson: Mr. Speaker, I do not think the two matters are related. We have proceeded as we had to proceed in these Lockheed negotiations. The Lockheed Company is unable to arrange the financing, and without that the project cannot go ahead. I should like, if I may, to revert for a moment to the question of the hon. member for Moncton (Mr. Jones) as I failed to respond to the first part, which was whether or not there were any other reasons for not going ahead with Lockheed. There were none of any substance or importance. Last night the cabinet agreed, as my statement indicated, that if the bridge financing could

be provided by the Lockheed Company we would proceed to purchase the 18 aircraft. There were no other reasons of substance.

Mr. Crouse: Mr. Speaker, I can assure the minister that his announcement will be a very serious blow to the people of my area, especially those who are looking to the government for some guidance with regard to the surveillance required when we establish the 200-mile limit. We are also concerned over the lack of sovereignty patrol, over the lack in respect of the NATO anti-submarine commitment which is required in Atlantic Canada, and certainly over adequate search and rescue facilities. All of these matters are of life and death concern to our people.

On the international scene the Prime Minister (Mr. Trudeau) stated he was seeking a contractual link with Europe, and we have commitments in Europe to maintain détente in that part of the world.

I would ask the minister whether he really put all his eggs in one basket, so to speak? If that is so, today is a good time to make a new beginning. The fact that the minister has goofed and blundered badly is unfortunate and the taxpayers will have to pay the loss for his incompetence and the incompetence of the government, but today is the time to start anew.

Mr. Speaker: Order, please. Surely the hon. member will realize he has gone somewhat beyond the bounds of questioning into the area of representations.

Mr. Crouse: I will put my question then, Mr. Speaker, and it is simply this: what will the minister tell his NATO allies when he meets with them in the very near future as to what alternative he intends to propose for replacing the Orion?

Mr. Richardson: Mr. Speaker, I will reply to that in a moment. I want to respond to the earlier question which was embodied in the statement. There will be no change in our capability for surveillance over the next five years. With our trackers, which are already in operation, and continuing with the Argus which, as I said, would have gone ahead in any case, and if we are successful in finding a replacement for the Argus, then we will have exactly the same degree of surveillance and protection as there would have been had we gone through with this specific contract.

Concerning our commitment to NATO, throughout all these negotiations, and particularly when we made this important decision, we were very conscious of our obligations to the NATO alliance. In my statement I tried to assure the House, and I hope to reassure our NATO partners when I visit with them in Brussels next month, that we are fully committed to meet our obligations to NATO. We are committed to staying in the anti-submarine role, and we intend to perform at the same level as we would have had this purchase gone through, except that we will be achieving that objective in another way.

Reference has been made to the taxpayers. We were very conscious of our obligations to the taxpayers, and that was again one of the reasons for the decision. We did not wish to expose the Canadian taxpayers to undue risk. Above all, we were committed to our obligations to the Canadian armed forces. We have this year increased our expenditure for new equipment by 34 per cent over last year. We have met our commitment to the forces in that respect, and we will continue to do so as we find the most effective replacement for the Argus.

Mr. Speaker: Order, please. I have taken note of hon. members who have been seeking the floor since the question part of this procedure began. I think I should therefore conclude the question period by recognizing hon. members in this order: the hon. member for New Westminster (Mr. Leggatt), the hon. member for Halton-Wentworth (Mr. Kempling), the hon. member for Calgary South (Mr. Bawden), the hon. member for Marquette (Mr. Stewart), and the hon. member for Winnipeg South Centre (Mr. McKenzie).

Mr. Leggatt: Mr. Speaker, in his statement the minister went out of his way to express appreciation to the United States for its willing co-operation, and I presume he was referring to the permission to increase the ability to lend money under the American Loans Board. Will the minister advise the House whether he requested any assurance at all from U.S. authorities in terms of guaranteeing Lockheed performance under this contract and, secondly, did he ask for any guarantees in the event of the bankruptcy of the Lockheed Company, and were these guarantees forthcoming from the U.S. government?

Mr. Richardson: Mr. Speaker, I was primarily referring to the assurance which the United States government had given us concerning its opinion and view of the financial viability of the Lockheed Company, and the company's ability to stay in business and in fact deliver the aircraft to us. The U.S government gave us strong assurances in that respect. It also gave us the assurance that in the unlikely event of bankruptcy we would be protected in the same way as the United States government itself in respect of its own military equipment being purchased from Lockheed.

Mr. Kempling: Mr. Speaker, the minister in his statement said it was agreed by the cabinet that the government would proceed with the acquisition of 18 LRPA if Lockheed could provide the bridge financing. What intrigues me about this is the way Lockheed's financing is being rearranged. I note that the bank credit facilities Lockheed had were with a consortium of 24 U.S. banks, led mainly by Bank American and Bankers' Trust. These facilities expired on May 15, four days ago, and new credit facilities are being arranged. Why was the decision on this matter not deferred until new bank credit facilities were completed? It would appear to me that an order for more than $1 billion would be a damned good lever for Lockheed in seeking the necessary bridge financing from any banking facilities.

● (1550)

Mr. Richardson: Mr. Speaker, I believe the hon. member is speaking about the relationship between American banks and the Lockheed Company.

Mr. Kempling: Right.

Mr. Richardson: They are not directly related to the negotiations and discussions which took place with the Canadian banks. I may say that one of the problems which

apparently was faced by the Canadian banks was that they would be subordinated to the position of the American banks. This, among other factors, was a reason for their not wanting to proceed with the interim financing.

Mr. Bawden: Mr. Speaker, my question is for the Minister of National Defence. In view of the fact that Lockheed indeed was in political and financial difficulty, and that indeed any fool could see from its financial statement that it was virtually bankrupt and likely unable to provide the funds to complete this program and service these aircraft over a period of many years with spares, I should like to ask the minister how he could say in the House today that he was not looking at alternatives in recent months. The fact is that there was absolutely no second line of defence. I ask the minister how he could have risked the reputation of our government, the entire LRPA program, the reputation of Canada in NATO and in Europe, and the morale of our armed forces on a shaky company like Lockheed, with absolutely no back-up plans.

Mr. Richardson: Mr. Speaker, we did of course have extensive studies as I indicated in response to earlier questions with regard to other alternatives. The best answer appeared to be the Lockheed aircraft. it was the most cost effective of the alternatives we studied. It is also true that it is the only effective long-range patrol aircraft that is made in this part of the world. The others we were considering were converted passenger aircraft, and smaller aircraft that did not have the range, so I really think we were doing the right thing to try to proceed with Lockheed. But I agree with the hon. member that when it became apparent that we would have to finance the company, and that the banks would not do so, we took the only course which I presume from his statement is the course with which the hon. member agrees. We have ended the contract.

Mr. Stewart (Marquette): Mr. Speaker, my question is very brief. Because of the minister's mismanagement of this whole affair has the Prime Minister asked for his resignation or, because his cabinet colleagues have deserted him, has he offered his resignation?

Mr. Richardson: Mr. Speaker, I have not tendered my resignation. My resignation has not been asked for. My colleagues have not deserted me.

Mr. Baker (Grenville-Carleton): Where are they?

Mr. Paproski: Just look behind you, Jim. You are all alone.

Mr. Richardson: Mr. Speaker, I am referring to the decisions that we have made. In that my colleagues are in full support. Mr. Speaker, I should like to say that there is only one clear reason we could not proceed with the purchase of the Lockheed long-range patrol aircraft. That reason is that the Lockheed Company is unable to provide the bridge financing. I have a number of responsibilities. I know what they are. But I am not responsible for Lockheed's inability to provide this financing.

Mr. McKenzie: Mr. Speaker, last fall in late November in the House, and during the committee meetings on December 1 the minister stated emphatically that work would start immediately on these aircraft and that Standard Aero in Winnipeg and Bristol Aerospace of Winnipeg would get to work immediately to start manufacturing parts for these Orion airplanes. Could the minister tell us if these two firms in Winnipeg have made any preliminary preparations or have spent any of their own money in preparation for these contracts?

I should also like to ask the minister whether, with regard to any alternate purchases such as from Boeing, the Canadian government will have to put up the money for the financing of a Boeing plane or will arrangements have to be made through Canadian banks, or just how will the financing be arranged if it is decided to purchase the Boeing or any other aircraft that have been looked at.

Mr. Richardson: Mr. Speaker, to answer the last question first, clearly if we were dealing with the Boeing Company I think that company, with its great financial strength, probably would find it easier to provide the bridge financing than would some other companies. However, I cannot say until we get down to negotiations exactly what the financing arrangements would be. But clearly it would be easier, I think, financially for this company than it would be for one which has had some financial difficulties.

In answer to what was really the first question, I think the hon. member was not in the House when I pointed out a moment ago that something more than $80 million worth of industrial benefits had come to Canada already, directly credited to the long-range patrol program. This involved some $48 million worth from the Lockheed Company and some $35 million from the Boeing Company. Clearly with the contract not proceeding all the very substantial industrial benefits such as those mentioned by the hon. member will not be going forward, but in the other arrangements that we make, whatever they may be, whether they involve refurbishing the Argus or buying from Boeing, whatever is the best approach, substantial industrial benefits will be provided. We will make certain that they will be provided. In that sense there will not be any loss to the Canadian aerospace industry.

Mr. Speaker: Order, please.

* * *

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed the following Bills to which the concurrence of this House is desired: Bill S-34, an act to amend the Aeronautics Act; Bill S-35, an act to amend an act to repeal the Proprietary or Patent Medicine Act and to amend the Trade Marks Act.

* * *

BUSINESS OF THE HOUSE

Mr. Blais: Mr. Speaker, there have been the usual consultations and there is agreement by all parties that a special order should issue relating to reverting to routine proceed-

ings at five o'clock this afternoon to permit the reception by the House of a statement to be made by the Minister of Energy, Mines and Resources. Mr. Speaker, the motion should read as follows:

That the House shall revert to Routine Proceedings at 5 p.m. on Wednesday, May 19, 1976 in order to permit the Minister of Energy, Mines and Resources to make a statement and to table a document; and

That the House shall not adjourn on that day until all proceedings relating to the said statement are completed.

Mr. Baker (Grenville-Carleton): Mr. Speaker, there have been the discussions to which my hon. friend alluded, but I think it is only fair to say that this consent has been given, or will be given, because on this particular occasion the ministry has seen fit to provide a copy of the statement in advance in sufficient time for the spokesman for the official opposition to prepare his response. I must say that that was not the case last evening. There may well have been reasons why copies were only provided a few minutes in advance last night in the case of our party and five minutes after the statement was started in the case of the NDP.

● (1600)

It is important that in terms of the procedures of the House, and in terms of the intent of the amendment made to the Standing Orders of the House, a copy of the statement be provided to all parties well in advance so that not only the minister's statement may be made but that the comments that are made and the question period that follows can be completely relevant. Surely the object of the rule under which this is being done is that the matter referred to in the statement can be fully covered in terms of the reply, and also that some questions can be put that are reasonable in all the circumstances, and therefore the House time be best used.

The consent given by us today, Sir, is in the spirit of the rules, and I hope that the parliamentary secretary will transmit this message to his chief, the President of the Privy Council (Mr. Sharp), who in turn will take it to his colleagues, that we will not grant consent on all occasions if reasonable time is not given in advance of a statement. In granting consent today I want to make it quite clear that we are prepared to observe our normal parliamentary customs and I hope the government also will be prepared to observe normal parliamentary courtesy with respect to notice, a courtesy which was not followed last night.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, my remarks are essentially the same as those made by the hon. member for Grenville-Carleton (Mr. Baker). As the parliamentary secretary knows, we came very close to denying consent today because we were having difficulty in getting the reports into the hands of our spokesmen on this side. However, there was an agreement to put those reports in their hands; I assume that has been done and on that basis we gave our consent today, but we hope that these remarks will improve the practice in this regard.

Mr. Jones: Mr. Speaker, I think unanimous consent is required and I would like the courtesy of a copy of the statement put before me as well.

Mr. Speaker: Unanimous consent is either forthcoming or it is not—it does not have conditions attached to it. However, I presume the condition of the hon. member for Moncton (Mr. Jones) can be met, and I therefore assume that unanimous consent has been given and that the House is now prepared to agree that the House shall revert to routine proceedings at 5 p.m. today in order to permit the Minister of Energy, Mines and Resources to make a statement and to table a document, and that the proceedings shall continue, if necessary, beyond normal adjournment in order to allow the Chair to exercise the discretion given to it in the Standing Order to complete the proper period of questioning. Is that agreed?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 3,865, 3,866, 3,869, 3,893, 3,894, 4,950, 5,033, 5,090, 5,093 and 5,185.

[*Text*]

RCMP MUSICAL RIDE

Question No. 3,865—Mr. Nystrom:

1. Will the RCMP Musical Ride be participating in the Rose Bowl Parade in Pasadena, California, January 1, 1976?

2. Will the Ride be participating in events occurring in Los Angeles or San Francisco and, if so (a) what are the events (b) on what dates (c) in what locations?

3. Will the Ride participate in festivities occurring during "Canada Day" at Disneyland?

4. How many (a) participants of the Ride (b)non-mounted RCMP personnel will be travelling to California and what will be the function of the latter?

5. Who and on what date (a) invited the Ride to participate in the events in California (b) accepted the invitation on behalf of the Ride?

6. Other than the normal salaries paid to personnel participating in the California festivities, what is the (a) cost (b) type of transportation for (i) personnel (ii) horses from Canada to California and return?

7. What is the cost of transportation of (a) personnel (b) horses while in California including a breakdown of cost from one centre to another in the State according to the travel itinerary.

8. What is the total cost of accommodation of (a) personnel (b) horses on a location to location basis?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): In so far as the Department of External Affairs and the RCMP is concerned, the reply is as follows: 1. Yes.

2. Yes. (a)(i) NBC television Pre-Parade Show, (ii) Tournament of Roses Parade, (iii) College East-West All-Star Game (The Shrine Benefit Game), (iv) Canada Bicentennial Salute Weekend at Disneyland. (b) (i) December 30, 1975; (ii) January 1, 1976; (iii) January 3, 1976; (iv) January 3 and 4, 1976; (c) (i) Burbank, California; (ii) Pasadena, California; (iii) Palo Alto, California; (iv) Anaheim, California.

3. Yes.

4. (a) 43; (b) None; (c) Not applicable.

5. (a) The organizers of the Tournament of Roses Parade invited the RCMP Musical Ride on September 30, 1974; (b) the Department of External Affairs accepted the invitation on behalf of the Government of Canada on January 29, 1975.

6. (a)(i) Not available; (ii) Not available. The total cost for men and horses was $65,280. This represents the cost of the chartered aircraft which carried both the men and the horses. (b)(i) Aircraft. (ii) Aircraft.

7. (a) $4,838.53; (b) $7,440. As all transportation arrangements were provided on a charter basis for the period of time that the RCMP element of the Canadian contingent was in California, the figures in (a) and (b) above cannot satisfactorily be broken down to reflect the travel itinerary.

8. (a) No breakdown of RCMP personnel accommodation expenses is available. See Question 3,869, Question 7.

SCARLET AND BRASS BAND

Question No. 3,866—**Mr. Nystrom:**

1. Will a special Scarlet and Brass Band made up of components of the Royal 22nd Regiment (Quebec City) and the Princess Patricia Regiment (Edmonton) participate in American Bi-Centennial festivities in California, and in the Rose Bowl Parade in Pasadena, California, January 1, 1976?

2. Will the bands also participate in events occurring in Los Angeles and San Francisco and, if so, what are (a) the events (b) their locations (c) date of participation?

3. Will the special band participate in festivities associated with "Canada Day" at Disneyland?

4. What is the total number of participants in the DND contingent (a) how many band members (b) how many ancillary members (c) the purpose of their function?

5. Other than the normal salaries paid to participants, what is the cost to DND in this endeavour for (a) transportation from Canada to California and return (b) transportation while in California including a breakdown of cost from one centre to another in the State according to the itinerary (c) accommodations on a location to location basis?

6. Who and on what date (a) invited (b) accepted the invitation on behalf of the DND Scarlet and Brass Band contingent to participate in the events in California?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): In so far as the Department of External Affairs and the Department of National Defence is concerned, the reply is as follows: 1. Yes.

2. Yes (a)(i) NBC television Pre-parade Show—Princess Patricia Canadian Light Infantry Band; (ii) Salute to the Bicentennials of the City of San Francisco and of the American Revolution; (iii) Salute to San Francisco—Royal 22nd Regimental Band; (iv) College East-West All-Star Shrine Game in support of Crippled Children—Princess Patricia Canadian Light Infantry Band; (v) Canada Bicentennial Salute Weekend at Disneyland—Royal 22nd Regimental Band; (b) (i) Burbank, California; (ii) Union Square, San Francisco; (iii) Civic Centre, San Francisco; (iv) Palo Alto, California; (v) Anaheim, California; (c) (i) December 30, 1975; (ii) December 30, 1975; (iii) December 30, 1975; (iv) January 3, 1976; (v) January 3 and 4, 1976.

3. No (See 2(a)(v) above).

[Mr. MacEachen.]

4. (a) 130; (b) None; (c) Not applicable.

5. (a) Nil; (b) Nil; (c) Nil.

6. (a) The organizers of the Tournament of Roses Parade, Pasadena, California invited Canadian participation, including the Scarlet and Brass Band in February, 1975; (b) The Department of External Affairs, in consultation with the Department of National Defence, accepted the invitation on behalf of the Government of Canada.

ROSE BOWL PARADE

Question No. 3,869—**Mr. Nystrom:**

1. Is the government going to be represented in the Rose Bowl Parade in Pasadena, January 1, 1976 and, if so (a) is the means of this representation going to be a floral banner (b) what is the cost of the floral banner?

2. Are personnel of the Department of National Defence, as well as personnel and horses of the RCMP going to be participating in events in Pasadena as well as other locations in California?

3. Will the Department of External Affairs be undertaking the cost of transportation of the contingent to California and, if so (a) what is the means of transportation (b) who will provide such transportation (c) what is the cost of such transportation?

4. Who and on what date authorized the payment of the transportation and how was it contracted out?

5. Will the Department of External Affairs be undertaking the cost of transportation of the contingent from one location to another within California and, if so, for each portion of the contingent (a) what will be the means of transportation (b) who will provide such transportation (c) what is the total cost of transportation (d) what is the cost of its travel itinerary?

6. Who and on what date authorized payment of transportation and how was it contracted out?

7. Will the Department of External Affairs be undertaking the cost of accommodation of the contingent while in California and, if so (a) what are the locations in which accommodation is to be obtained (b) what is the number of people to be housed in each location (c) what are the specific addresses of the accommodations in each location (d) what is the cost of accommodations on a location by location basis?

8. Who and on what date authorized the use of the specific locations and how was each site of accommodation selected?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): 1. Yes. (a) Yes. The floral banner headed the special Canadian section of the Tournament of Roses Parade; (b) $7,500.

2. Yes.

3. Yes. (a) Air charters, regularly scheduled flights and buses; (b) Voyageur Colonial Ltd., CP Air, Air Canada; (c) $84,100.60.

4. Contracts for the aircraft chartered from CP Air and Air Canada were signed on December 5, 1975. Two tenders were let and contracts were won by Air Canada and CP Air respectively. Charter costs totalled $78,662. Additional air flights and ground transportation were required to connect with the charter aircraft and these were arranged by the Department of External Affairs.

5. Yes. (a) Travel between Los Angeles and San Francisco was by the air shuttle service. Local ground transportation was by bus, truck or car as circumstances demanded; (b) Air service was provided by Pacific Southwestern Airlines. Local ground transportation was provided by Embree Buses Inc.; (c) $39,209.75; (d) As all transportation arrangements were provided on a charter basis for the period of time that the various elements of the Canadian

contingent were present in California, the figure in (C) above cannot satisfactorily be broken down to reflect the travel itinerary.

6. Authority for the payment of transportation expenses was included in the decision of the Treasury Board dated May 12, 1975, which authorized Canadian participation in the Roses and related Bicentennial activities. The type and nature of transportation in the California activities was the result of numerous operational decisions made by officers attached to the Canadian Consulates General in Los Angeles and San Francisco and with the concurrence of the Department of External Affairs in Ottawa. Each decision was based upon the anticipated requirements, the local knowledge of the officers concerned, and the ability of local firms to provide adequate transportation at the times required.

7. Yes. (a) and (c): (i) Beverly Wilshire Hotel, Worldway Postal Centre, Post Office; Box 92663, Los Angeles, California, 90009; (ii) Roadway Inn, 840 South Indian Hill Boulevard, Clairemont, California, 90014; (iii) Holiday Inn, 1755 North Highland Avenue, Hollywood, California, 90028; (iv) Royal Inn, 1855 South Harbor, Anaheim, California, 92802; (v) Holiday Inn, 625 El Camino Real, Palo Alto, California; (vi) Holiday Inn, 750 Kearny Street, San Francisco, California; (vii) Fairmont Hotel, Atop Nob Hill, San Francisco, California, 94106; (viii) Holiday Inn, 480 Sutter Street, San Francisco, California; (ix) San Francisco Hilton, Mason and O'Farrell Streets, San Francisco, California; (b) (i) 14; (ii) 43; (iii) 268; (iv) 102; (v) 199; (vi) 199; (vii) 9; (viii) 8; (ix) 8; (d) (i) $3,155.28; (ii) $3,155.43; (iii) $16,126.94; (iv) $3,965.76; (v) $3,084.90; (vi) $5,829.00; (vii) $426.12; (viii) $333.90; (ix) $320.12.

8. The selection of accommodation for the California activities was the result of numerous operational decisions made by officers attached to the Canadian Consulates General in Los Angeles and San Francisco and with the concurrence of the Department of External Affairs in Ottawa. Each decision was based upon the proximity of the hotels to the performance sites and the ability of the hotels in those areas to provide sufficient space of an acceptable standard.

NATIONAL COMMITTEE FOR HABITAT

Question No. 3,893—**Miss MacDonald (Kingston and the Islands):**

1. Did the National Committee for Habitat visit certain centres for public hearings and meetings and, if so, which ones?

2. What are the total (a) fees to be paid to (b) travelling expenses of, the members for such meetings?

3. How many staff were in attendance at each meeting including administrative, secretarial, information, professional and contract?

4. What were the total travelling expenses for all staff for such meetings?

5. What were the total organizing expenses for such meetings including advertising, printed material, hall rentals, etc.?

6. What is the estimated number of the general public not including employees of any government or the media who attended each meeting?

Hon. Barney Danson (Minister of State for Urban Affairs): For the Canadian Habitat Secretariat 1. The National Committee for Habitat held public meetings in the following centres: Inuvik, Whitehorse, Prince George, Vancouver, Quebec City, Edmonton, Montreal, Halifax, Fredericton, Toronto, Thunder Bay, Frobisher Bay, St. John's, Winnipeg, Charlottetown, Regina.

2. (a) Total fees paid were $7,400; (b) Total travelling expenses were $16,200.

3. At each meeting the Canadian Habitat Secretariat provided one administrative officer, one program officer, and one information officer to assist and service the members of the National Committee for Habitat. At each meeting, with the exception of Inuvik and Winnipeg, the Secretary of State Official Languages Conference section provided two or three interpreters for English to French and French to English simultaneous interpretation. As the Secretary of State office could not provide interpreters for Inuvik and Winnipeg, the Department of Supplies and Services let contracts to provide for simultaneous interpretation interpreters. At each meeting, the firm of International Translation Services of Toronto provided a technician with simultaneous interpretation equipment. This firm was awarded the contract by DSS.

4. Total travelling expenses for Canadian Habitat Secretariat staff, Secretary of State interpreters and public relations people, were $22,000.

5. Organizing expenses, including simultaneous translation, rentals, hospitality and advertising, totalled $75,000.

6. Attendance by the general public at each meeting was as follows: Inuvik, 70; Whitehorse, 35; Prince George, 45; Vancouver, 250; Quebec, 47; Edmonton, 175; Montreal, 135; Halifax, 30; Fredericton, 30; Toronto, 138; Thunder Bay, 50; Frobisher Bay, 100; St. John's, 85; Winnipeg, 110; Charlottetown, 16; Regina, 90.

SYMPOSIA AND SEMINARS OF HABITAT

Question No. 3,894—**Miss MacDonald (Kingston and the Islands):**

1. Have symposia and seminars been organized for Habitat and, if so (a) what are they (b) how many persons attended each (c) how many persons were paid by the government?

2. What are the total expenses incurred in connection with such meetings?

3. What provision has been made for distributing the results of such meetings?

Hon. Barney Danson (Minister of State for Urban Affairs): For the Canadian Habitat Secretariat: 1. Fourteen symposia were organized by the Canadian Habitat Secretariat and held across Canada in September, October and November 1975. The objective of the symposia was to stimulate an interchange between specialists and concerned citizens about Canadian human settlement issues and alternatives for the next decade. The following table lists the symposia, giving, for each the date, location, topic, number of participants and number of persons who were paid by the government.

Order Paper Questions

Date 1975	Location	Topic	Attendance	Paid by Government
9-10 September	Winnipeg	Factors Affecting Rural/Urban Migration	111	11
10-11 September	Whitehorse	Planning for Small Communities	75	4
12-13 September	Yellowknife	Resource Based One Industry Towns	68	9
19 September	Ottawa	International Cooperation for Human Settlements	168	3
26-27 September	St. John's	Provision of Community Services and their Financing	63	9
3-4 October	Halifax	Housing Types and Life Styles	85	9
17-18 October	Saskatoon	National Impact of Growth Management Policies	50	5
24-25 October	Moncton	Employment Opportunities and Development of Communities	65	8
31 October-1 November	Quebec City	National Impact of Growth Management Policies	58	5
6-7 November	Red Deer	Planning for Small Communities	86	6
13-15 November	Toronto	Public Land Ownership	350	(see item 2 below)
14-15 November	Charlottetown	Conservation of Land and Energy	60	4
21-22 November	Vancouver	Environmentally Appropriate Technology and Life Styles in Human Settlements	125	12
28-29 November	Victoria	Appropriate Use of Land	212	6

2. Symposia expenses, (including simultaneous translation, travel expenses of panelists, speakers and CHS staff, rentals, hospitality, advertising) totalled $112,000, of which $5,000 was contributed by the Canadian Habitat Secretariat to York University for the organization of its symposium.

3. A report on each symposium is being prepared, translated and distributed to all participants. It is also being circulated to approximately 50 persons per symposium who were unable to attend but who requested all information relating to the topic, and to members of the Interdepartmental Task Force for Habitat, the IDTF Working Groups for Habitat, the Canadian National Committee for Habitat, and the Federal Provincial Preparatory Committee for Habitat. Approximately 300 people have requested copies of all 14 reports. In addition, a synthesis of the 14 reports is now being prepared.

HEALTH AND WELFARE—COST OF FIT-KIT

Question No. 4,950—**Mr. Jones:**

1. What was the total cost of the Fit-Kit recently introduced by the Minister of National Health and Welfare, including (a) salaries (b) binder (c) printing (d) recording (e) cost of cutting the records (f) other expenses?

2. Did the government copyright (a) all (b) part of the material in the Fit-Kit and, if so, at what cost?

3. What amounts were paid, or are payable to persons or firms for the publication and/or rights to publish the items contained in the Fit-Kit?

4. Who authorized the expenditures for the Fit-Kit and under what authority?

[Mr. Danson.]

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. (a) to (f) inclusive. The cost of 100,000 copies of the Fit-Kit was $451,678. This figure includes the cost of printing, recording, cutting of the records and all other expenses, with the exception of the salaries of the Fitness Section. Staff salaries are estimated at $15,000 over the last two years. Total amount recoverable to the Department from sales of these Fit-Kits will be $80,000 for the balance of the 1975-76 fiscal year. Based on present sales trends, it is expected that this amount will be considerably greater in the 1976-77 fiscal year. It is anticipated that, ultimately, production costs will be fully recovered through Fit-Kit sales.

2. The government did copyright all parts of the material in the Fit-Kit. All material, except as noted below, was original work or contracted research of the department and, therefore, required no financial outlay for copyright.

3. *The Health and Fitness* booklet was originally copyrighted by the Scandia Insurance Company in Sweden and this has been produced in Canada and amended by permission of the copyright owners at no cost to the Canadian Government. The music on the Canadian Home Fitness Test was original music developed and purchased by the Canadian Government for $14,087, which includes all future rights for use of this music. $2,000 was paid in residuals for the four artists whose voices were used on the Canadian Home Fitness Test. Except for these, all other contributions from non-government sources have been assigned to the federal government at no cost.

4. The expenditures for the Fit-Kit were authorized by the Minister or his duly delegated representative under the terms of the Fitness and Amateur Sport Act.

BOOKLET ENTITLED HABITAT ON CONFERENCE ON HUMAN SETTLEMENTS

Question No. 5,033—**Mr. Beatty:**

1. What was the cost to the taxpayer, if any, for the printing and distribution of the booklet entitled *Habitat UN Conference on Human Settlement* recently distributed by the Commissioner General of the Canadian Habitat Secretariat?

2. How many were printed and to what categories of persons were they distributed?

Mr. Jean-Robert Gauthier (Parliamentary Secretary to Minister of State for Urban Affairs): For the Canadian Habitat Secretariat. 1. The printing cost for this booklet totalled $47,338 for the 30,135 copies produced. It will take some time to determine the actual cost of distribution since a large percentage were sent by diplomatic bag to the Canadian Missions abroad who, in turn, distributed the booklets in each country.

2. Of the 30,135 copies printed, 23,684 have already been distributed to the following. Vancouver office of the Canadian Habitat Secretariat, Foreign Embassies in Ottawa, Canadian Missions abroad, United Nations, United Nations Associations representatives, Permanent Missions to the United Nations, CIDA representatives, Habitat Bulletin overseas distribution list, Habitat Forum News distribution list, Canadian Government offices of Tourism, Canadian Consulate, Milan, Provinces, NGO list, The Hague, NGO list, ACSOH, Vancouver, RCMP Commanding Officers/Chiefs of City and Provincial Police, Senators and Members of Parliament, Provincial Premiers and Cabinet Ministers, Foreign Government representatives (from World Travel Directory), National Travel Agents Associations (from World Travel Directory), ASTA Board of Governors, International Division of ASTA, President and Executive Vice-President of ASTA, Host Broadcaster's list, CNGO PG mailing list, Editors, Radio and TV Stations at points of call Mayors, Air Canada, Eastern Pacific and Pacific Western Managers at points of call.

CANADA MANPOWER TRAINING PROGRAMME GRANTS TO CONSTITUENCY OF TÉMISCAMINGUE, QUEBEC

Question No. 5,090—**Mr. Caouette (Témiscamingue):**

What was the total amount spent from 1970 to 1975 under the Manpower Training Programme for (a) men (b) women for (i) training costs (ii) grants in the Constituency of Témiscamingue?

Hon. Robert K. Andras (Minister of Manpower and Immigration):

Institutional and Industrial Training Expenditures[1]
Rouyn, Quebec[2]
1970-71 to 1975-76

Fiscal Year	Institutional Training Costs ($)	Institutional Allowance Costs ($)	Industrial[3] Training Costs ($)
1970-71	813,580	665,656	N/A
1971-72	986,903	807,466	174,958
1972-73	1,089,441	891,361	160,612
1973-74	1,023,808	837,661	29,340
1974-75	972,722	795,864	325,376
1975-76 April-February	1,002,225	820,002	238,977[4]

[1] Allowance costs are actual, training costs are estimated, industrial training costs are contracted costs.

[2] The area covered by the Canada Manpower Centre (CMC) in Rouyn most closely matches the constituency of Témiscamingue.

[3] For this CMC, there was only the Training-on-the-Job (T.O.J.) Program in 1971-72, but in 1972-73 and 1973-74 they had both Training-in-Industry (T.I.I.) and T.O.J. These programs were combined in 1974-75 to form the Canada Manpower Industrial Training Program.

[4] Figure is for all of 1975-76.

NOTE: Expenditures are not available on a calendar year basis or by sex for a CMC.

CANADIAN HOME FITNESS: FIT KIT—INVITATION TO LIFE STYLE PROGRAMME

Question No. 5,093—**Mr. McKinley:**

What was the total cost to the government of the (a) Invitation to Life Style Programme (b) Canadian Home Fitness Test (c) Kit Fit Programme?

Hon. Marc Lalonde (Minister of National Health and Welfare): (a) Invitation to Life Style Programme, $25,800; (b) Canadian Home Fitness Test, $186,169; (c) Fit Kit Programme, $265,510 (Note: $80,000 recovered to date.).

NOTE: The answers to questions 5,185 and 4,950 refer only to those items mentioned in parts (b) and (c) of this question.

PRODUCTION OF FIT-KIT

Question No. 5,185—**Mr. Coates:**

1. (a) Who produced the Fit-Kit distributed by the Department of National Health and Welfare (b) were tenders called and, if not, for what reason (c) how was it determined who would purchase the kit and by which department?

2. How many kits were purchased and what was the total cost?

3. Were the kits offered for sale and, if so, what department handled the sale?

4. Was there any recovery from the sale and distribution of the kits and (a) if not, for what reason (b) if so, how much?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. (a) The Fit-Kit was designed and produced by Recreation Canada of the Fitness and Amateur Sport Branch of the Department of National Health and Welfare; (b) Tenders were called through the Department of Supply and Services for production of various items such as the record, brochure and calculator; (c) The marketing plan was done in the Fitness and Amateur Sport Branch. This was supplemented by a market survey which confirmed the assumption that the Fit-Kit would appeal to people of all ages and all walks of life.

2. 100,000 Fit-Kits were purchased at a total cost of $451,678.

3. The Fit-Kit has been on sale since March 9, 1976 through Information Canada (Canadian Government

Bookstores) across the country, through major outlets and through some associations.

4. The Fitness and Amateur Sport Branch recovered $80,000 to date from the initial purchase of 50,000 kits by Information Canada and a commitment from them for re-orders of 10,000 kits at one time. Based on present sales trends, it is expected that this amount will be considerably greater in the 1976-77 fiscal year. It is anticipated that, ultimately, production costs will be fully recovered through Fit-Kit sales.

* * *

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 2,835 could be made an order for return, this return would be tabled immediately.

[*Text*]

LIFE IMPRISONMENT SENTENCE

Question No. 2,835—**Mr. Reynolds:**

1. How many men and women were sentenced to life imprisonment in the past fifteen years (a) what were their names (b) what was the date of their sentence (c) what penitentiary were they originally sent to serve out their sentence?

2. How many such persons have received weekly or temporary absence passes (a) what were their names (b) what were the dates of the passes (c) how many times have they received them?

3. How many persons were released on parole and what was the date of such release?

Return tabled.

[*English*]

Mr. Blais: I ask Mr. Speaker, that the remaining questions be allowed to stand.

* * *

MOTIONS FOR PAPERS

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand at this time.

Some hon. Members: Agreed.

* * *

BUSINESS OF THE HOUSE

Mr. Blais: Mr. Speaker, may I just take this occasion to respond to the comments that were made by the House leaders of the other parties. I would like to point out, with reference to the statement to be made at 5 o'clock, that it is subject to a lock-up. As hon. members know, the subject matter is one that has to remain confidential until such time as the minister is ready to make the statement. I fully agree with the House leaders of the opposition parties that the courtesy of a notice should be extended to the chief spokesmen for the opposition parties. This has now been extended and I hope it will be the practice followed in the future.

With reference to the statement made last evening, I agree that a copy of the statement was provided to the opposition parties' spokesmen rather late but, as I understand it, the reason was that the statement was being prepared right up to the last minute, negotiations were being carried out, communications were in process with various provincial authorities up to the last moment, so the document was not made available until the minister was ready to make the statement.

I would also indicate to hon. members that I sought the consent of the House to deal with the motion yesterday at a very late stage, and we got the consent around 4 p.m. At that time the statement was not yet ready. The decision to make a statement yesterday by the Minister of Energy, Mines and Resources was a late decision by the government, and effectively that is the reason why a copy of the statement was late in reaching spokesmen of the opposition parties. I should also like to point out that these reasons were communicated to the leaders of the three opposition parties. The hon. member for Moncton (Mr. Jones) was not here yesterday when we disposed of these motions.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on the same point of order. I appreciate the explanation, but in order to observe what I previously described as parliamentary courtesies—because as it turns out there was no real import in the timing of the statement—the government might well have considered having the minister make the statement today so that the two statements might better have been made together.

Dealing with the question of the lock-up, I hesitate to remind the parliamentary secretary of this but members of the House are hon. members and I am satisfied that it would not be necessary to lock up any members of the House in order to give them the advance information which is given to the press in these circumstances.

It has been the practice here—and I have been party to it—for the government House leader to indicate well in advance what legislation would be brought forward in case of an emergency, and to ask me, my colleague, the hon. member for Winnipeg North Centre (Mr. Knowles), and the House leader of the Social Credit party to keep the matter confidential. So far as I know these undertakings have never been broken. I hope that the government regards the spokesmen of the opposition parties as hon. members in terms of any undertaking for which they may ask and which they may receive so that the spirit of the rules which I have mentioned could be carried out that notice be given in advance of a statement, and that an opportunity be given to prepare appropriate questions so that the fullest possible examination could take place within the limited time under the rules. I think this practice is a sound one, and it is quite important for the intentions of the drafters of this relatively new Standing Order to be carried out.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, on behalf of my colleague, the hon. member for Winnipeg North (Mr. Orlikow), who has gone to a meeting of a

standing committee, I should like to raise a point of order. My colleague draws my attention to the fact that his notice of motion for production of papers No. 86 has been on the order paper since February 11. It does not look as if it needed long to produce. I hope that my comment will draw the matter to the attention of the parliamentary secretary and will result in the return being produced very soon.

Mr. Blais: It usually does, Mr. Speaker.

● (1610)

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed, from Tuesday, May 18, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I cannot imagine anything more designed to make one's words disappear than to be interrupted by the clock in the middle of a speech, but because I have had the opportunity to speak on this issue on other occasions I shall not worry too much about timing. Anyway I am not going to take the entire time allocated to me on second reading.

When I was speaking last night at ten o'clock, Mr. Speaker, I was reminding hon. members of a particular person in the city of Moncton whom I want to honour and I did honour him last night. He has provided leadership on this difficult issue not only to his church but to all of us who are New Brunswickers and to other Canadians as well. I refer to the Archbishop of Moncton, Donat Chiasson, who has spoken so eloquently about the issue, has written to the Prime Minister, and has expressed himself publicly in the newspapers. I cannot imagine an archbishop being embattled, but I can imagine there are many people who do not support his Christian point of view on this issue. What excites me about the Archbishop is his obvious courage and leadership characteristics.

Mr. Allmand: Hear, hear!

Mr. Fairweather: Having said that about the Archbishop of Moncton, I should like to share the views of others who have spoken who have been immensely comforted or assisted by groups, largely from the Canadian churches, which support the abolition of the death penalty. I think of a wonderful statement by the Mennonite Brethren; the Catholic Conference which after a long period of silence on the issue spoke in eloquent terms when it came up in 1972, of the United Church of Canada, the Presbyterian Church, and many in my own Anglican Church who are convinced abolitionists and who, at the risk of worrying those who profess to be followers, make clear and unequivocal statements in favour of abolition.

There seems to be a wonderful network not only of church people but of those in secular life who hope this debate will mean that at last Canada can join those nations of the world which have abolished the death penalty from their statute books. The network is one of very great comfort and satisfaction because, as the debate goes on through the years, time after time we hear from those people who have espoused this cause, some at rather great risk to themselves and to their political futures.

The importance of the issue we debate has been darkly underlined by the amount of time and energy it has occupied in the life of every thoughtful Canadian. Every newspaper in the country has devoted column inches to the subject. Just a couple of months ago the Ottawa *Citizen* carried a leading article on the 100 years of that newspaper's crusade for the abolition of capital punishment. If it is risky to be an abolitionist today, I can imagine that in 1875-76 the flak was even heavier. Perhaps to the great advantage of the people who represented us in those days, members of parliament did not take refuge behind Gallup polls to reach their conclusions.

The Ottawa *Citizen* ran a leading article on its 100 years of involvement; universities have sponsored debates; opinion groups have sent petitions; individuals have written letters—oh, how they have written letters. As I reminded the House last night usually those who wish to hang, wish to hang in red ink. Opinions have been sought—of course they have been sought. Any member who does not seek opinions, who does not wish to debate is failing in his duty to his constituents, I think.

Politicians have made speeches. Surely the purpose of parliament and the legislative process is to provide the time and means for the special study of issues which by their very nature are emotion-charged and terribly complicated, to provide a chance for those of us who have been given the responsibility by our constituents to consider these issues by reason and discussion, rather than by prejudice or passion.

But the debate over this particular issue has been going on for the last ten years. Since 1966 there have been three major debates on capital punishment, 700 pages of debate and discussion have been devoted to it—38 days in the House and committee. That, Mr. Speaker, does not include the over 50 speeches and the 20 hours in this thirtieth parliament. I would now hope, indeed I will venture to suggest, and I did this last night, that surely it is time for this issue to be removed from the agenda of all of us—

Some hon. Members: Hear, hear!

Mr. Fairweather: —from the agenda of parliament so that the Solicitor General (Mr. Allmand), who in my opinion must have had to spend needless hours on this absolutely minute aspect of the criminal justice system, can get on with the business of dealing with criminal justice, providing good detection methods and certainty of conviction once detection had occurred.

I am not one of those who feel it is wrong to be debating this again because I devoutly hope this will be the debate that ends the issue. When I was in London last September

I spoke to several members of parliament who had various views on capital punishment, but to a woman and to a man those members at Westminster said the issue is over in Britain; it has been debated ad nauseam; decisions have been made—the issue is moot. I hope very much that this will occur in Canada very soon.

This is not to say that I think the issue is not important, Mr. Speaker. On the contrary I believe deeply in the sacredness of human life. I ask that we bear this in mind; that we bear in mind that a person who commits a crime is after all part of human society, just as his victim is. It occurs to me that although many speeches have been made about the victim, very few comments have been made about the compensation systems in place in many provinces which in money terms—and surely this is a most inadequate way to try to ameliorate the effects of death—but in money terms at any rate various provinces have tried to alleviate the problems of the victim's survivors. I had occasion myself to ask that the Ontario Compensation Fund be used for the burial of a victim of a murder. The fund responded rapidly and with very little red tape.

● (1620)

The taking of human life, I think we must agree, is an act of supreme arrogance. My conviction about the brutality and futility of capital punishment dates from my early boyhood when, if I can use a metaphor, our household was afflicted with the gloom of a veritable Good Friday as my father, who was a Justice of the Supreme Court, was importuned by people connected with the justice system, the judges and those in other walks of life, to spare the life of somebody who would, perhaps in a day or two, be executed. I need not go into the relationships involving the tiral judge in those circumstances; but the request was made, nonetheless. The judiciary was not removed from those pressures. No judge who is human can be removed from them. I can only say that on those occasions in our household the deepest gloom prevailed.

That, of course, is not enough reason for me, now in adulthood, to support abolition. Obviously there are many other aspects of the question to be considered. But I do remember that our household was not a nice place to be in on those occasions. I hope my colleagues think that I have arrived at my present decision by the use of whatever reasoning and rational process are at my disposal.

As I said last night, as I have said 100 times, even 1,000 times, hanging will not save the life of a policeman; hanging is no deterrent to violent crime. It is time we decided the issue once and for all.

My colleagues will be glad to hear that I have almost finished. Yesterday the Secretary of State for External Affairs (Mr. MacEachen) was able to announce that instruments of ratification were in the process of being signed so that Canada could accede to the Declaration of Human Rights of the United Nations. It was a long time a'borning. This will be understood by those who understand the constitutional complexities of this country. Surely it would be the supreme irony if Canada, after waiting literally a generation, would become a signatory to the United Nations Declaration of Human Rights as the very time when parliament should reject this bill and start again his horrible aspect of the criminal justice system, execution by hanging.

Lastly I ask, as I did at the beginning, must night fall again in this country? Must ministers of the Crown, and must we all, since after all we all have a share in this decision-making, be asked to start this horrible engine again? The discussion has gone on endlessly. Surely it is time for Canada to take its place among the civilized nations of the world which possess certain intrinsic values which tell us that the time has come to abolish capital punishment.

Mr. Bob Kaplan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, this bill has been debated at length, and debate will continue for some time. I listened with interest to the arguments of the hon. member for Fundy-Royal (Mr. Fairweather). Having read what has been said and listened to in this debate, I observe that I do not think much more can be said on one side or the other of the question we are considering.

What has interested me is the extent to which similar arguments have been used on both sides of the question. Members have spoken on the effect of capital punishment. Some members argue that it has a deterrent effect; others, that capital punishment encourages the commission of capital crimes. We have heard arguments based on moral and religious grounds, based on Biblical justification, and so on. These authorities and justifications can be used to support arguments on either side of the question, it seems to me.

The House has discussed rehabilitation and the undeniable possibility of miscarriage of justice, of someone being found innocent, after all, after the sentence of capital punishment is carried out.

The argument which has moved me enormously is the one concerning the social implications of capital punishment, the argument that says that if we examine those who have been the victims of capital punishment over the decades we shall find that they are not a cross-section of Canadians, not even a cross-section of criminals in our system. They have been the poor, the people at the bottom of our economic and social system. They, invariably, seemed to be the ones to suffer the penalty of capital punishment.

Having said that, I wish to make a couple of other observations before putting a proposal to this House. I suggest that public opinion is an extremely important factor in the determination of an issue like capital punishment. The system of justice in our country after all is the people's system. It must be a system which accords with the population' sense of what is right and fair, and which makes the Canadian people feel secure. Although individual members of parliament perhaps spend more time studying this question than the man in the street, and are exposed to a greater cross-section of argument and expertise, all of which must be brought to bear on our deliberations, when you come right down to it we are asked on behalf of the people of Canada to provide a system of justice they think is fair.

I do not see how any member of this House can escape the undeniable fact that the majority of the people of Canada are of the opinion—however you want to measure

or count it—that there is a place for capital punishment in our system of justice. I insist that this House must respond to that concern.

It is also true, I think, that there is a great variety of opinion among retentionists about what place capital punishment ought to have in our system. You cannot hold a referendum on the subject because some people feel you should retain capital punishment for hijacking, treason, and kidnapping; others, that it should be retained in the narrow case of murderers who commit murder for pay. Some retentionists also question the power of commutation and how that power ought to be exercised.

Before I make my recommendation, I wish to point out one of the difficulties we shall encounter if we proceed to vote on the bill in its present form. I think that the matter will be decided by a narrow majority on one side or the other. A large minority of members, who will represent a large segment of public opinion, will oppose that decision, no matter how the House decides on that important question. For that reason I wish to make a proposal for an amendment, for which I hope there will be a fair degree of consensus. I will bring forward a proposal which I think can be supported by abolitonists because it recognizes their point of view, but which will preserve capital punishment among the panoply of remedies available under the Criminal Code.

Mr. Jones: Mr. Speaker, I rise on a point of order. There is not a quorum present. I think the House should adjourn.

An hon. Member: The quorum has been called.

Mr. Kaplan: Mr. Speaker, I consider that a solid life sentence is as effective a deterrent, in general terms, as capital punishment. I am prepared to argue, from the moral point of view, that a solid life sentence, if I can put it that way, is just as rigid and just as oppressive a punishment as capital punishment itself.

● (1630)

I listened with interest to the hon. member for Fundy-Royal talk about his experience with the application of capital punishment. I invite him—perhaps he has already done it—to talk to some people who have had imposed on them a life sentence, people who have been in prison for 25 years or more. There are some in Canada who have had that. He should then come to a conclusion about whether the capital punishment that upset him as a youngster is more of a severe penalty than the penalty of life imprisonment.

I now come to the point. What I intend to propose when this bill goes to committee is an amendment that will continue capital punishment, not for the most serious criminal acts in general, but for those acts committed by individuals who are already subject to life imprisonment as a sentence under the bill proposed in the House today. In other words, I am saying that this heavy, solid life sentence is, as far as I am concerned, an effective deterrent in general. However, what is the deterrent in this sentence for a violent crime committed by a lifer while in prison?

As an example, I refer to prison executions. Almost every time convicts take over a prison, they kill two or three of the other prisoners to whom they take strong objection. When the Kingston penitentiary was recently taken over by the convicts, the first people they killed were the criminals serving long indeterminate sentences for sex crimes. Who are they to impose the death penalty on fellow prisoners? They pick the men who have nothing to lose, those already serving life sentences, to carry this out. They are not deterred by the life sentence when trying to escape or from being a danger to the life and safety of prison guards as well as to their fellow prisoners. I want to see us turn to an amendment which would reserve capital punishment for that very narrow area.

I am also going to put into the amendment that capital sentence should be non-cummutable by the cabinet. It should be a definite, emphatic, non-commutable death penalty subject to only one thing, that being if the jury recommends clemency in the case of a lifer who commits a serious capital crime, the cabinet should have the power to review the decision and commute it.

I feel the position I have put forward can be viewed as an abolitionist position because it elminates capital punishment for a very broad range of crimes where the solid life sentence is an equal deterrent. However, I invite those who are concerned about protecting society to consider what deterrent there is for the person I have described who has nothing to lose by committing serious crimes in prison, trying to escape, or endangering the system of order within our penitentiaries, as well as the crimes he might commit after he escapes. This is a real problem where I would argue that capital punishment is an obvious deterrent and I think it ought to be continued.

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): Mr. Speaker, once again this House is debating the question of capital punishment. I have spoken four times in this House on capital punishment over the past ten years; August 4, 1966; November 14, 1967; May 23, 1973; and October 19, 1973.

Sometimes it seems to me that this new liberalism that holds the reins of power in this country has developed and fostered a firm schedule of debate that includes deficit budgets, capital punishment, unemployment, inflation, and scandals in the ranks of the government. I do know that all this debate on capital punishment over the past decade has not availed us of a firm policy in dealing with murderers and other dangerous offenders in our society. It has not accomplished anything to improve the level of public security in our country. Because the government has adopted and maintained a namby-pamby attitude toward the treatment of dangerous criminals, we now have open season on law enforcement officers and prison guards.

The gist of this debate is the traditional basic reason for government; protection of persons and property. Neither the Prime Minister (Mr. Trudeau) nor his government care anything about the protection of persons and property. This has been shown recently in this House. Yesterday during private members' hour from 5 to 6 p.m. Bill C-255, sponsored by the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds), came up for debate. This bill would greatly assist in the protection of persons and property. It would provide for the establishment by all Canadian telephone companies of an emergency telephone number.

The bill has a great deal of merit and should have been passed. It was deliberately talked out by Liberal members—the hon. member for Renfrew North-Nipissing East (Mr. Hopkins) and the hon. member for Niagara Falls (Mr. Young)—much to the disgust of the rest of the House, including many private members on the government benches.

Canada badly needs a universal emergency number. The use of it would no doubt aid in our efforts against capital crime and lawlessness of all kinds. The Liberals talked the same bill out on March 26 last, at which time it was sponsored by one of their own members, the hon. member for Toronto-Lakeshore (Mr. Robinson). This is the new Trudeau liberalism in action at its best, or perhaps I should say at its worst.

We have an opportunity and responsibility in this debate to stop shilly-shallying over the question of capital punishment and do what we should have done many years ago. We should carry the war to the enemy. People who engage in deliberate anti-social conduct, who commit deliberate pre-meditated murders and other forms of violent conduct, are the enemies of our society. They are engaged in war, Mr. Speaker, and we in this House are engaged in a holding action. An analysis of the statistics available to all of us could indicate but one thing; we are losing the war.

The Solicitor General (Mr. Allmand) has declared more than once recently that if anyone hangs in this country he will resign. Now, Mr. Speaker, as an elected servant of the public, and a special one at that, placed in an office of trust, elevated to the cabinet, he should resign for making such irresponsible statements. We are fighting a war against capital crime, and how ridiculous can the Solicitor General make himself when he lowers the prestige and dignity of his office by making such statements? He can be compared to a war minister, a minister of defence, who would declare that he will refuse to fight a war that the country might be engaged in but he still wants his job. Again I say, let him resign.

Many of the hon. members of this House, some of whom are my colleagues, continue to speak out on behalf of the poor, misunderstood and maligned criminals. While I respect their right to hold and express their own views on this or any other subject, I cannot accept the argument that we, the state, do not have a moral right to employ capital punishment as an extreme measure in dealing with violent and capital crime.

Murder is the extreme method in settling an argument, in pulling off a major crime such as a robbery, or to settle any other matter in which a criminal might become engaged. In fact nothing could be more extreme. I simply cannot understand how anyone could become overly sympathetic over a murderer who happens to be unlucky enough to get caught.

● (1640)

I was appalled the other night to hear a tape of a conversation a reporter had with a prisoner in a Montreal jail who had been involved in a hostage-taking incident. When the reporter asked the prisoner whether he would have killed the hostages, the man laughed and said he would not have hesitated. Asked how he could have done such a thing when he had never committed a murder before, the prisoner laughed again and said he did not say he had never killed anyone, just that he had never been caught.

Arguments that capital punishment demeans a society, or that capital punishment is as barbarous as the crime for which it was originally proposed, are specious and unwarranted. People who argue that the state does not have a legal or moral right to impose capital punishment are using a personal and restricted definition of justice. It is all too easy to "cop out" and say that murder is murder, whether committed by a criminal or by the state. Mr. Speaker, I would accept the proposition that a state can commit murder. A totalitarian state can, but not one such as Canada. But I will not accept the contention that a state can commit murder in the context offered so frequently in these debates as a valid reason for abolishing capital punishment.

When a person is tried in a duly constituted court bound by laws of procedure and evidence, as is the case in Canada, and found guilty by his or her peers, whatever verdict is rendered by that court should determine what the disposition should be. When a verdict calling for execution is rendered by a judge and jury, unqualified by a recommendation for mercy, the state is bound to see that the execution is carried out. This would not be murder. It would be the administration of true justice in consequence of a deliberate murder having been committed—I use the word "deliberate" because we have always made a distinction between deliberate murder and other actions leading to a person's death.

The Minister of Justice (Mr. Basford) went to the Canadian public last Sunday night by way of the television program "The Nation's Business" to present his fatuous argument that capital punishment would not be a deterrent to the crime of premeditated murder, and to try to sell his proposal regarding gun controls. He told his audience that those who have presented counter proposals do not understand the legislation.

I am amazed that the minister would go on national television and try to convince the Canadian people that the spokesmen for the national gun clubs and associations cannot read, that they cannot interpret legislation. They know full well what the intent is of this legislation, just as they know the intent of the legislation which would abolish the death penalty. I am surprised the minister did not use a couple of minutes of his television time to explain what the gun control law is intended to accomplish. Instead he spent the entire program period complaining that people just do not understand him or his legislation. Mr. Speaker, we understand him all too well. He has fallen for the old story that if you take guns away from the law-abiding you will eliminate murder and other crimes committed with guns, with the result that capital punishment to deter people from committing deliberate murder would not be necessary.

The minister also asserted there was no evidence to support the view that capital punishment was a deterrent to murder. How could there be any evidence of that kind when the hon. gentleman and his cabinet colleagues have commuted every single sentence imposed on convicted murderers of policemen and prison guards over the past ten years? In these circumstances, how could there be any

evidence that we in parliament could weigh when we are debating measures to protect Canadian citizens from murderers and other violent criminals? We would have some evidence to evaluate if the Minister of Justice had had the courage and the sense of responsibility to allow the sentences of our courts to be carried out. I suggest he has no right to tell the Canadian people there is no evidence to support the position of the retentionists in this House.

For a long time it has been common knowledge that retentionists outnumber the abolitionists throughout the country and, indeed, in this House. The minister knows that if his views prevail and capital punishment is abolished it will be because of the majority which the government commands in this Chamber and the political compulsion imposed on members of the cabinet to vote in favour of the bill before us.

The minister tries to make a case in favour of abolition on the ground that executions carried out by the state amount to murder and that the state does not have the right to commit murder in order to punish the crime of murder. What complete and utter nonsense. A state can commit murder, but not in the way suggested by the Minister of Justice. The Prime Minister's buddy, Fidel Castro, has committed thousands of cold-blooded murders in the name of the state. That great friend of our Prime Minister has condemned thousands of people in his kangaroo courts and then had them murdered in the course of disgusting public executions.

I do not agree with the minister that we will be committing murder if we allow the sentences passed by Canadian courts to be carried out. I would point out that when a person is charged with capital murder and appears in our courts, he or she has recourse to laws of procedure, laws of evidence, and the benefit of adequate legal counsel. The accused has the advantage of being considered innocent until the prosecution can establish guilt beyond a reasonable doubt. Should guilt be established, the accused has the benefit of an avenue of appeal extending through lower court all the way to the Supreme Court of Canada. Anyone who compares this process to the sham and shame of a so-called Cuban or Russian court trial should have his head looked at.

What we are talking about here is the right of the state to adopt stern measures to protect the majority of law-abiding people in our country from an anti-social minority. What we are talking about is whether or not the government opposite will accept its responsibility to the electorate and use all of the weapons available to us so as to win the war against violence and capital crime. The criminals are using all the weapons they have. Can we do any less?

The Canadian government, like all other governments, maintains the armed forces in readiness to defend our people from aggressors. Our soldiers, sailors, and airmen might be called upon as they have been in the past to kill in the defence of our country and our free society. Some of those who spend all their time pleading the cause of murderers and other violent criminals say war is state-subsidized murder. This is a high-sounding phrase and one which gives these people an excuse to "cop out" when they are called upon to defend the society which has defended them. No, Mr. Speaker.

While crimes might be committed by individuals in certain wartime situations, under cover of war, as it were, the act of going to war in defence of Queen and country is not in itself a crime. Let the abolitionists dredge up some more credible excuse for the cop out they propose. Let them match their philosophies and their theories against the reality of everyday crime in Canada and tell us that capital punishment is more brutal than the crimes which it is intended to deter. I insist, Mr. Speaker, that a state which maintains a judiciary such as we have in Canada, a state which allows as many opportunities of appeal against court sentences as ours does, cannot commit murder. We can permit murder, we can forgive murder, and we can punish murder. But we cannot commit murder.

I am just as interested in the rehabilitation of anti-social persons and misfits as anyone else, but I think it behoves members of parliament to approach the subject of rehabilitation with somewhat more realism than I have seen exhibited by many so-called experts on human behaviour. In my view, a lot of them have their priorities mixed up. The criminologists and the sociologists are not the only ones who are mixed up, though.

The new Liberals, the disciples of Trudeaucracy, are also mixed up. At the moment they are chasing each other around the Liberal squirrel cage wondering who is leading and where they are going. These new Liberals are those who advocate abolition and who insist, at the same time, that the answer is rehabilitation. At the present time they are confused by the antics of the Minister of Justice who is trying to satisfy retentionists by promising longer prison sentences as the answer to the abolition of the death penalty. He promised to keep convicted murderers behind bars for 25 years. At first the new Liberals accepted this logic, happy that at long last they would see the death penalty abolished. But then the new Liberals—and they are not all from the Liberal party—realized they would not be able to rehabilitate these poor, misunderstood, and maligned capital murderers if those offenders were required to spend 25 years behind bars. They realized that a person 25 years of age would be 50 years old when released from prison. That person's productive life would have been spend in confinement. A person convicted of premeditated murder at age 40, and sentenced to 25 years, would be 65 years old when released, ready for old age security.

● (1650)

This debate is taking place under indeed trying times for parliament and especially for the Liberal government which is now holding the reins of power. They stagger along from day to day in disarray and chaos. It has got so bad that the Prime Minister is now unable to confront the confusion, corruption, influence peddling, graft, and hypocrisy of his own administration and the Liberal party. The latest example is the ineptitude and bungling of the Lockheed Orion deal today and the resultant loss of thirty-four millions of dollars of taxpayers' money. That surely is capital punishment, of a different sort!

This administration will go down in history as one in which the credibility of government, of parliament, and of the individual members thereof, reached its lowest point. The latest polls show the Prime Minister at a new low of unpopularity. Do not be fooled, Mr. Speaker, into thinking

that this does not affect private members of this House. Our popularity is down too. If you conducted a poll on us you would find that out. Our credibility is down, especially the credibility of those who support the Prime Minister's policies. This is the new Trudeau liberalism. Where is it taking Canada?

What is the history of Trudeau liberalism? Over the past 10 years it has been one of loose government and permissiveness. Its policies have invited an increase in the rate of all crime. In its craven efforts to avoid capital punishment it has disobeyed its own law. It has declared its deep interest in rehabilitation in the past, and has allowed early and easy paroles. The results of this policy have aroused the general public who are convinced that the government no longer cares about protecting persons and property. This is the new liberalism.

Now under the Liberals they bring forth this bill and they say to the representatives of the people here, "We wish to abolish capital punishment and substitute instead 25 years in prison". Through you, Mr. Speaker, I ask the Prime Minister, the Solicitor General, the Minister of Justice, and all the authors of this bill, where is your noble experiment with rehabilitation now? If this bill passes, rehabilitation goes out of the window. Twenty-five years in prison precludes and destroys all hope of rehabilitation for anyone convicted of capital crime. So you see, Mr. Speaker, when you trace the sinuous deviations of the Trudeau government, it is a government with a majority mandate that refuses to govern. It should resign.

The government has a few spokesmen out through the country who are trying to make excuses for this legislation. The other day when I was driving to Ottawa from Napanee, Wednesday, May 5, I was listening to stations CJET, Smiths Falls, and CKWS, Kingston, which were carrying the comments of one named McCaulay, broadcasting over CBC from Moncton, which was the scene last year of the fiendish murder of the two Moncton policemen by Hutchison and Ambrose. You will recall, Mr. Speaker, that these two now convicted men captured the two policemen, took them out into the country to murder them, but made them dig their own graves first. The decision on their appeal is being awaited from the Supreme Court and I think they deserve a punishment commensurate with what they meted out to their two helpless victims.

To get back to Mr. McCaulay, the freelance broadcaster over CBC on that date, he said that Canadians are a blood-thirsty lot in their demands for the exaction of capital punishment for capital crime. He was very slanted and sarcastic in his comment. He said the cross-section of the majority of Canadians who demand the use of capital punishment were rural people, Roman Catholics, the less educated, policemen, prison guards, God-fearing Christians—as though Roman Catholics were not God-fearing Christians—older men, right wingers, residents of Quebec. And to top it all off, Mr. Speaker, he had to return to the Catholics again and say that a Catholic with grade 8 education is a typical Canadian "Archie Bunker". The government is pretty hard up for a spokesman to put that over the CBC air waves.

I say as a supporter of those groups, thank God for the rural people, the Roman Catholics, the less educated, the policemen, the prison guards, the God-fearing Christians, the older men, the right wingers, the residents of Quebec, and those Canadian "Archie Bunkers" who are trying to preserve Canada and to protect persons and property. Thank God for all those people I have enumerated who stand up for the retention of capital punishment. Thank God for that majority of the Canadian people for whom and for whose opinions the government shows such contempt in this bill.

[Mr. Alkenbrack.]

I regard it as one of the prerogatives of power of a democratic nation, governed by responsible government, that it always reserves and maintains the right to demand the life of any of its citizens as the penalty for premeditated capital crime. Along with capital murder, this also includes those convicted of treason against our country. The abolition bill about to be presented to parliament completely ignores the latter crime, which if successfully committed can mean the destruction of our nation and its form of government.

I have profound respect for the opinions of abolitionists, but there is one point more I must make. When I was first elected to parliament in 1962 capital punishment was one of the laws in force on our statute books, although it was only adivsedly and astutely enforced from time to time. Capital punishment is still on our statute books to be administered to murderers of policemen and prison guards, alghough under Liberal administration, since its inception, all cases have been commuted to life imprisonment.

My point is this. The people of Prince Edward-Lennox, my first constituency, and now the people of Frontenac-Lennox and Addington, through a total of six parliaments did not send me as their representative to Ottawa to abolish capital punishment, for had this been their wish, I certainly would have heard of it on the hustings at each election. I also contend that when the state carries out a sentence of capital punishment imposed by the courts it is not committing another murder but is simply administering justice according to the law of the land.

I believe that the will of the people to maintain the survival and security of the collective whole of a nation, such as Canada, is morally correct, and that the retention and exaction of capital punishment for premeditated capital crime, including treason, is not an immoral act. It is indeed the administration of true and swift justice, and there is nothing more morally correct than justice.

Mr. Marke Raines (Burnaby-Seymour): Mr. Speaker, I have some comments to make on capital punishment and I am prepared to make them now, but in view of the time I will call it five o'clock and continue at the next available opportunity.

Mr. Speaker: Order, please. Pursuant to order made earlier this day the House will now revert to Routine Proceedings for the specific purpose of permitting the Minister of Energy, Mines and Resources (Mr. Gillespie) to make a statement.

ROUTINE PROCEEDINGS

[*English*]

ENERGY

PROPOSED LEGISLATION AND REGULATIONS TO DEAL WITH OIL AND GAS

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Thank you, Mr. Speaker, and my thanks as well to all members of the House for giving their consent to enable me to make a statement at this time. As hon. members will appreciate, the reason for making the statement at this time is because all the markets of Canada are now closed.

On April 27 I laid before this House a document setting forth the government's strategy for dealing with the energy issues of the next 15 years. That strategy contained nine key policy priorities. Today I wish to advise members of new initiatives which are indicative of the government's decision to move toward self-reliance in energy by 1985 and which support, in particular, the announced policy priorities.

They are, first, increased exploration and development; that is to say, to double at a minimum exploration and development activity in the frontier regions of Canada over the next three years; secondly, increased resource information that is to say, to accelerate the flow of accurate information about the Canadian resource base; and the third priority area, greater Canadian content and participation in resource development.

● (1700)

The new supportive policies are contained in a document entitled "Statement of Policy—Proposed Petroleum and Natural Gas Act and New Canada Oil and Gas Land Regulations" which, with your permission, I will table at the end of my remarks, and copies of this statement are being made available to all members.

An hon. Member: How many rabbits are in this one?

Mr. Gillespie: Mr. Speaker, the existing Canada Oil and Gas Land Regulations governing the disposition and administration of oil and gas rights in the north and in the offshore were promulgated in 1961. Since that time there have been major changes in the petroleum situation, both nationally and internationally, and technological advances have changed greatly the capability to explore for and develop oil and gas reserves. It is necessary to up-date the regulations pertaining to Canada's frontier areas so as to provide increased public controls over exploration and production, modernize the system for collecting economic rent, and at the same time continue to encourage exploration for new reserves. As emphasized by our strategy report, all of this must be done under acceptable environmental and social conditions.

The great bulk of Canada's frontier areas that can be considered as prospective for exploration with current technology is already held under permits issued in accordance with the existing regulations. Thus, in order to institute meaningful changes in the existing system, it is necessary to amend substantially the terms and conditions of these permits, which currently contain commitments to

lease and royalty conditions extending for periods exceeding 50 years. This necessitates the adoption of appropriate legislation designed to impact on present contractual obligations.

However, it cannot be over-emphasized that the continued involvement of industry is essential, not only from the standpoint of providing investment capital but for the source and flow of exploration concepts, as the discovery of new reserves is a function of the input of new ideas engendered by the competitive nature of the business. A discovery may be the result of several successive waves of exploration based on different methods of collecting and utilizing information.

What I should like to do is deal with this very complicated area under six headings with some brief comments on each. The six headings are: period of tenure, new work obligations, new fiscal system, preferences for Petro-Canada, production orders, and last but no means least, Canadian participation and content. First is period of tenure.

Under the current regulations exploration in the frontier areas is undertaken on rights that have been issued by the government in the form of permits. A permit allows the holder to explore a designated area for a period of 9 to 12 years, depending upon regional location, and gives him the exclusive right to drill exploratory wells within that area. Production of oil and gas cannot be undertaken from a permit, the permit must first be converted to lease during which process at least half the acreage must be surrendered back to the Crown. The company then has had an option to reacquire that acreage in return for higher royalties for any oil or gas produced from it. The tenure of a lease has been 21 years, with provision for renewal of a like period if producible.

Under the new regulations existing permits will remain in effect but with modified requirements. However, there will be no 21-year oil and gas leases. Instead, the permittee if still in the exploration stage of operations will be able to go to a 5-year provisional lease covering the entire permit area. Upon commencement of production, where this occurs either in the permit stage or in the provisional lease stage, a 10-year production licence will be issued. Production licences will have a provision for a 10-year renewal period based upon production capability. A new incremental royalty plan for all production replaces the added royalty from the 50 per cent Crown acreage of the present arrangement, to which I alluded a moment ago.

I should like to turn now to new work obligations. Under the new regulations, a combination of incentives and work obligations is designed to impact upon oil and gas rights currently held by industry so as to increase exploration efforts. The minimum levels of work obligations that holders of existing permit rights must satisfy will be increased significantly for most areas. For example, under the new regulations the new work levels for the Scotian Shelf and Grand Banks will be increased threefold.

Under the new regulations the minister will continue to have the power to extend the period of exploration rights through the granting of special permit renewals when permits have come up to the end of their normal life tenure, with such special renewals subject to levels of work as he may order, including the drilling of exploratory

wells, thereby promoting exploration efforts in areas where this may be desirable.

Requests for special permit renewals will become increasingly frequent over the next few years. By mid-1979 about half of the existing permits will have expired, and the remainder will run out by the end of 1984. Alternatively a permittee may opt to hold some acreage under a provisional lease, in which case it will be subject to payment of annual rentals of $2.50 per acre, versus $1.00 per acre per year for leases under the current regulations. This $2.50 per acre per year may be refunded to the extent that exploration work is carried out on a provisional lease, thus providing another means for promoting the increase of exploration activity.

The pace of exploration may be further advanced by orders to drill exploratory wells on specific oil and gas prospects which are now under permit even though all present permit terms have been met. If the holders of the rights fail to have such drilling done the government may direct that the national oil company, Petro-Canada, drill instead, thereby earning an interest in the prospect. I will expand on this later. Another factor that will act as incentive to exploration is the early release of information, especially seismic data, that has been collected by the oil companies and filed with the federal resource management agencies.

The third section deals with the new fiscal system related to economics of individual fields. Under the new regulations a permittee will be allowed to hold a production licence covering the entire productive area within his permit. Under the old regulations, as mentioned previously, upon conversion of a permit to lease half of the permit acreage had to be returned to the Crown. If the returned acreage was considered sufficiently attractive by the company, it could exercise an option to reacquire the surrendered lands in return for higher royalties on production from those lands. This system was a method of receiving a portion of economic rent in addition to the nominal royalty levied, 5 per cent for the initial 3 years of production and 10 per cent thereafter. Under the new regulations, economic rent beyond the basic royalty, which will be a flat 10 per cent, will be received by the government through a progressive incremental royalty system. "PIR" will be used henceforth in my remarks as progressive incremental royalty system.

Unlike a flat royalty system, which penalizes marginal fields and does not ensure a fair return to the government from highly profitable "bonanza" fields, the PIR system depends on the net revenues generated by a particular field and so is progressive in nature and profit sensitive. The incremental royalty is not payable until the investments in production facilities for a field are largely recovered, the basic 10 per cent production royalty and income tax have been allowed for, and a return of 25 per cent is realized on the development investment as calculated on a field-by-field basis. This level of earnings is designed to allow the recovery of average exploration costs as well as to generate a reasonable level of profits on total investment.

The PIR will provide for a fair return to Canadians from their resources, and it will also allow industry a fair rate of return on its high risk investments. By delaying collection of the Crown's share of resource revenue until production takes place, the new fiscal arrangement ensures that scarce resource capital is channelled directly into exploration and development rather than into bonus payments and other front-end charges. As a further means of promoting early exploration, the government will allow a 3-year PIR-holiday in respect of oil and gas discoveries made before June 30, 1980. I wish to stress, however, that contrary to many recent comments the incremental royalty scheme is exactly that—incremental to the basic 10 per cent royalty.

[Mr. Gillespie.]

● (1710)

The fourth section referring to Petro-Canada is a very important section. As an agency of the government, Petro-Canada has an important role to play in accelerating exploration for oil and gas in the frontier areas. It will be given certain preferences with respect to the acquisition of oil and gas rights in Canada lands. Petro-Canada, subject to meeting levels of work obligations similar to those imposed upon other companies, will have the right to acquire any existing areas not now covered by permits or leases, as well as 25 percent of any acreage that returns to the Crown upon the termination of permits or leases over the 7-year period following promulgation of the new regulations. Lands in these categories are commonly termed Crown reserves.

Where no prior discoveries have been made, Petro-Canada will also have the option to acquire a working interest of up to 25 percent in permits that are granted special renewals by the minister as well as any provisional leases issued while operations are still in the exploration stage, with no pay-back of past exploration expenditures to the permittee. As extensions of this type will only be sought for attractive prospects, the 25 percent working interest option will be of significant value to the national company.

As mentioned previously, the minister may consider it necessary on a need-to-know basis to order a permit holder to carry out an exploratory drilling program on a prospect within his permit acreage. Should the permittee fail to do so within a reasonable period of time, Petro-Canada may be directed by the governor in council to undertake the drilling program itself, in which case Petro-Canada can earn up to the entire interest in a prospect. In such a case the permittee will be allowed to retain at most a half interest in the subject prospect, and if he chooses not to commit to pay half the drilling costs before the program commences, then he must pay Petro-Canada four times his share after the first well, six times after the second, or eight times after the third to reacquire 50 percent of the prospect under his permit.

In respect of production orders, to support further the attainment of Canadian self reliance the government will be provided with the authority to order a producer in the frontier areas of Canada, the Territories, and offshore, to commence production of oil or gas into domestic markets at prevailing wellhead prices notwithstanding the existence of any arrangement between the producer and a purchaser for purposes of export to a foreign market. Moreover, the government will be able to take both the basic royalty and PIR in cash or production in the case of oil or natural gas. In the latter case, the government's

share of production can be directed to domestic markets as considered desirable—an additional option.

The last heading I indicated I wanted to cover with regard to these new and complicated regulations is Canadian participation content. As regards Canadian participation in the petroleum resources under Canada lands, the Minister will be empowered to require a 25 percent minimum level of Canadian ownership in producible properties, and he will be able to exercise discretion as to the method by which this level is attained. Only about one third of existing permits are now held by parties or groups of parties having a level of Canadian ownership which would meet this requirement. Stated another way, 65 per cent of all the acreage under permit at the present time is held by companies which have less than 25 per cent Canadian ownership. We want to change that.

This provision will help strengthen the Canadian presence in an industry at present more than 90 per cent foreign owned. Another aspect is that the use of Canadian goods and services will be enhanced in a number of ways, for example, as a requirement for granting special renewals for permits; as a provision in new exploration agreements; and during the course of granting approvals for work programs and allowable expenditures.

As is readily apparent, the discretionary powers envisaged under the new regulations will be far more extensive than those under the current regulations. There are many difficult decisions to be made as regards existing exploration permits, in particular the need to establish new requirements for widely differing areas as increasing numbers of permits reach the end of their normal life over the next few years. As regards future oil and gas rights, there are the basic decisions as to where and on what terms and conditions such rights should be made available by way of public tender or in some cases issued directly by order in council. In the former case, choosing successful applicants in the future will not be a matter of simply picking the highest bidder; there will be a number of factors to be considered in the best interests of Canada.

Equally important and difficult will be decisions involved after the discovery of producible oil and gas. The new rental collection system will require the determination of a number of factors involving far more than normal accounting procedures, indeed requiring a high degree of oil and gas expertise. The development of the necessary administrative organization and personnel should, therefore, be ideally within one group and the government proposes to set up a new unified resource management agency. This new agency will at the same time provide the vehicle through which preferential treatment as regards Canada lands will be effected for Petro-Canada, and it will maintain an objective balance between Petro-Canada on the one hand and industry on the other in the implementation of matters under the new regulations.

In summary Mr. Speaker, this new policy which will be presented for parliamentary consideration this fall is designed to meet equally important but sometimes conflicting objectives—increased exploration and discovery, and greater control over the activities of the industry which must carry the lion's share of the exploration risk. We are confident that, following extensive discussions with that industry, as well as with the provinces, we have reached the fine balance which will prove to be in the national interest.

Mr. Speaker, with your permission—

Mr. Speaker: Order, please. The minister is indicating his intention to table some documents. Earlier the order was that we would revert to Routine Proceedings, namely, tabling of documents and statements by Ministers in order that the minister might be permitted to table some documents and make a statement.

Mr. Gillespie: Mr. Speaker, under Standing Order 41(2) I should like to table two copies in the two official languages of "Statement of Policy, Proposed Petroleum and Natural Gas Act and New Canada Oil and Gas Land Regulations".

Mr. James Gillies (Don Valley): Mr. Speaker, we on this side of the House welcome the minister's statement today. I might add that after six years absence of any oil and gas land regulations this statement probably deserves some sort of a welcome. The welcome we give today, however, is a mixed one.

It would be unfair to say that during the past six years, when we have had no regulations, nothing has happened. We on this side of the House have watched with not a little amusement as final draft after final draft has been churned out by the departments concerned, and then returned red pencilled by the oil companies. As each one of these final drafts went out, hope would rise anew that this would be the last.

● (1720)

The Minister of Indian Affairs and Northern Development (Mr. Buchanan) would rise to his feet and tell us, yes they will be out this spring, later to say, sorry they would be delayed to the fall, unfortunately they would not arrive until winter, they would definitely be ready in the spring, and so on—the rhythm of the passing seasons. Well, now the industry is presumably satisfied and the country can get down to business. While congratulating the minister on the fullness of his consultations with interested parties, I might add this—nowhere in this seasonal procession was room found for parliament's view. Apparently we are not to be consulted, only informed.

Yet this delay has not been without its cost to Canada. Investment capital abhors a policy vacuum. Hundreds of millions of dollars cannot be invested in an uncertain regulatory climate, no matter how full consultation is. Capital which might be invested in developing our frontier resources has gone to other areas, such as the U.S. continental shelf and the North sea. Indeed it is a sobering fact that Great Britain, where frontier oil development has been more costly than generally has been the case in Canada, will surpass Canadian oil production in two years. This has happened despite the fact that British reserves are at present approximately equal to Canadian oil resources on which the government places a 90 per cent chance of recovery.

In Canada frontier exploration has suffered while the jury was out on these regulations and, parenthetically speaking, while various budgets dispelled any impression of government competence in resource management. Last year, $332 million was spent on the development of frontier

resources, a figure which is less in real terms than the 1972 expenditure. This country simply cannot afford energy management which marks time for three years while other countries, even Britain with its socialist government, surge ahead.

Having received these regulations we must now decide whether they emanate from a credible source. Let us look at the record of official ignorance in the question of predicting exactly how much frontier oil there is. In 1969 we were told by the government that if we were lucky we could expect to have four billion barrels of oil surplus to our needs in 1985. If everything went wrong we could expect perhaps only 2.5 billion. In 1973 we were told to expect 780 million cubic feet of gas and 100 billion barrels of oil. Today we are told we have no surplus at all. What they did not tell us then they tell us now, that there was a zero probability of those resources existing, which is about the probability that this government's estimates will ever be taken seriously again.

Some hon. Members: Hear, hear!

Mr. Gillies: These regulations come as one more piece of ad hocery in an energy strategy that is held together by guess and wishful thinking. As things stand today we do not even know whether northern development will take place. Judge Berger apparently regards his task as being concerned with this seminal question, and his conclusions are by no means forgone. By the time a decision has been finally reached on the MacKenzie corridor it will be late 1977, or, with the record of the oil and gas land regulations in mind, perhaps 1997 might be more accurate. Once that decision is made we must await the immense lead times required from initiation to production, which today span a decade or more. In the context of the past the idea that we will be burning frontier energy in our homes by 1982 is absurd. It is in the context of these general caveats that we must examine today's statement.

We support wholeheartedly the concept underlying the progressive incremental royalty program. It is natural that we would because an important part of the idea owes its origin to the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) who has been putting such ideas forth for almost a decade. The minister would do well to borrow more of my hon. friend's ideas for Canadian equity participation in frontier development.

Some hon. Members: Hear, hear!

Mr. Gillies: As for the rate of the profits tax and the length of the moratorium, full comment will be made after we have had more time to examine them in detail.

The preferential treatment of Petro-Canada under the regulations raises once again the serious question of the government's competence in resource management. This is not the time to build up Petro-Can at the expense of the private enterprise companies in the north. The Canadian people do not need Petro-Can. What they do need is fuel to move their wheels and heat their homes. It is difficult to see how ceding Petro-Can immense tracts of northern and off-shore acreage which it could not possibly handle will help Canadians with their energy problems. It is a looking glass policy—the government biases the system in favour of a company that manifestly cannot do the job and prejudices the system against those companies which manifestly can.

As regards the "challenge to drill system" we do not oppose this in principle. What we do oppose is an unwarranted increase in the arbitrary powers of ministerial discretion that this document entails. The minister should realize that in many cases the major asset that smaller independent oil companies possess is acreage. Legislation which compromises this asset will inevitably reduce the ability of a company to raise capital and thus slow down the pace of development. It is unacceptable that no appeal from this arbitrary power to be assumed by ministers will be permitted. When these regulations come before the House, we shall certainly seek to incorporate some sort of appeals procedure.

The regulations also appear to reinforce the dangerous precedent set by the Petroleum Administration Act of giving ministers the power to abrogate contracts. This strikes directly at principles which are at the heart of the enterprise system. Yet the regulations appear to provide for no compensation or recompense for those who have had their property rights diluted in this fashion and who could suffer losses as a result.

There will be widespread concern about the ministerial discretion involved in the determination of a qualified person with respect to exploration agreement.

Although we find ourselves to be in essential agreement with the requirement that oil companies operating in federal territory be Canadian corporations with participation by Canadian citizens, we feel the planned administration of the principle leaves something to be desired. Surely it makes more sense to apply the requirement to exploration licences, that is, at the beginning of the process, than half way through at the exploration agreement stage. We will also seek assurances that present permit holders will not be classified as unqualified with respect to existing agreements.

As regards the increase of information, we are, for the reasons I have elaborated earlier, fully behind any initiative that will help government get some information to dispel the woeful state of inaccuracy on which it has operated in the past.

In short, it seems to me—and we should not neglect or forget this fact—that the proposed regulations which literally empower the minister to set posted prices, to take royalties in kind other than cash, to order drilling on permits and leases, to order production to begin, to order production to certain markets, to require approval of farmouts, are, in a sense, an absolute revolution in the operation of the energy industry in this country, a managerial revolution. We have seen a movement of the managerial responsibilities of the energy companies in this country from the boardroom, from the company, to the bureaucracy. This is precisely what these regulations have done. Will this produce more oil for the Canadian people more efficiently? I doubt it. Is it an attempt by the government to move indirectly into the oil and gas industries? Is it another government power grab? Is this really a regulation, or is it the start of the confiscation of this important industry?

Some hon. Members: Hear, hear!

Mr. Gillies: These regulations must have, for the sake of all Canadians who depend on the north for their future energy, the most careful scrutiny, and I can assure the minister that when they come to the House they will receive such an examination. They amount to a managerial revolution in the operation of the energy industry in Canada, a revolution which, in our view, may not be in the best interests of all Canadians.

● (1730)

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the people of Canada have been waiting a long time for these new petroleum and gas regulations covering the Arctic and offshore areas.

I cannot join with the hon. member for Don Valley (Mr. Gillies) in saying that I welcome the statement made by the minister, but since he is a very persuasive and urbane individual I tried very hard to find something in the statement for which I could commend him.

I did not realize it was quite so good until I heard the hon. member for Don Valley objecting to the fact that there was to be any attempt to make oil companies get ready and drill and to use the permits on which they have been sitting and doing nothing for a long time. I want to commend the minister on the fact that he is going to insist that companies which have taken permits, drill, and that he is going to reduce the length of the permit from 21 years to six years and the length of the lease to a provisional period of five years and a production lease of ten years.

The fact is, Mr. Speaker, of the 920 million acres of sedimentary land in the Arctic, 80 per cent is under permit. The companies have been simply sitting there waiting to see what they could do with this asset. They have been sitting on their assets in many cases doing nothing.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): I commend the minister for saying he is prepared to take the necessary steps to get legislative authority to insist that if they are going to hold these permits they must drill and either produce oil, or get off and let somebody else produce oil. I also agree with the principle of a revenue tax through which the Canadian people will share in the revenue produced from any oil or gas discovered in the offshore areas or in the Arctic.

Having said that, Mr. Speaker, I should like to draw the attention of the House to the fact that if one reads the minister's statement and the documents which accompany it very carefully, it is perfectly apparent that we are now going to turn over millions of acres of potential oil and gas lands to foreign companies on leases. This amounts to nothing less than a gigantic sellout.

In the first half of this century this country made a lot of mistakes as to how it leased out its oil and gas lands. We could perhaps have been excused because of our lack of experience, but surely in the last quarter of this century there is no such excuse. I am afraid this government is something like what Tallyrand said about the Bourbons—they have forgotten nothing and learned nothing. We should have learned something from what happened in the southern part of Canada. The minister's statement indicates we have learned nothing at all.

I want to deal with two points, Mr. Speaker. The first point is that the minister says that under the new regulations a permittee will be allowed to hold a production licence covering the entire production area within his permit. Most members of the House know that both the oil and gas lands coming under federal jurisdiction and provincial jurisdiction have always had a provision in the past that 50 per cent of the area which is leased belongs to the Crown. This has been done by having a checkerboard system—I believe Alberta was the first to introduce it—by which the black squares go to the permittee and the white squares belong to the Crown. Those Crown reserves could either be put up for cash bid or could be put up for a percentage of the oil production, to be taken in oil or kind, or they could be used by the Crown itself to extract oil and gas.

In drafting these regulations the government had an excellent opportunity to make sure that in any area where oil and gas was found the Crown had a piece of the action. Those Crown reserves would have provided an opportunity for Petro-Canada, on behalf of the Canadian people, to go into those areas, to produce oil and gas and assure that the Canadian people would get supplies at reasonable prices rather than being at the mercy of a gigantic oil monopoly. The government has not done that.

Speaking in the House yesterday the Minister for Energy, Mines and Resources (Mr. Gillespie) predicted a great future for Petro-Canada. I share his desire that Petro-Canada should have a great future. In the statement he made today, however, I see very little future for Petro-Canada except to be a standby. The minister says that Petro-Canada is going to have certain things; it is going to get 25 per cent of any acreage that is returned to the Crown. Mr. Speaker, any acreage that is returned to the Crown will be leftovers that the oil and gas companies do not want.

The minister also said that where an oil company is not carrying on its drilling obligations the government can order Petro-Canada to go into that area and drill. But, Mr. Speaker, he pointed out that the company which has the lease can either agree to pay 50 per cent of the drilling cost and have 50 per cent of whatever Petro-Canada discovers or, if it does not agree to pay 50 per cent in advance, then if Petro-Canada takes the risk in looking for oil or gas and does not get it, it is out that money. If it does find oil or gas, the company holding the lease can step in and, by paying 50 per cent of the drilling cost and a penalty, can still hold 50 per cent of the area on which it, up to that time, refused to drill.

Is that a great future for Petro-Canada? What we are doing is sitting it on the bench and saying that when nobody else wants a lease and nobody else wants a drilling area or somebody has refused to drill in an area, Petro-Canada will be called in. I do not call that an imaginative program for Petro-Canada. As a matter of fact, if the government were serious about Petro-Canada it would have insisted on holding on to the provision which is still true in southern Canada under provincial jurisdiction, and which has been true up until now under federal jurisdiction, of saying when a permittee wants to lease 50 per cent

of a checkerboard area which belongs to the Crown those areas which the government did not want to put up for a cash bid or royalty bid basis could be used by Petro-Canada.

This afternoon I heard the hon. member for Don Valley make some rather derogatory remarks about the role of Petro-Canada. I want to remind my Progressive Conservative friends that in almost every country of the world today governments of different political stripes have set up government oil companies in order to provide a countervailing power against the oil cartels, whether it is Great Britain, France, West Germany, Japan or Venezuela. Some, of course, have have gone further, as in the Middle East, and virtually nationalized the entire oil industry. The only place left where people still do not have a government agency available to provide some countervailing power in the oil industry is the United States and some of the antediluvians who sit in this House.

● (1740)

The second point I wish to make briefly is this. While the minister has abandoned the idea of holding on to 50 per cent of the leases granted, he says this will be made up by virtue of the fact that the government will share in the production from these oil and gas fields through the progressive incremental royalty, which the minister euphemistically called PIR.

It is worth noting, first, that the royalty to be charged will be only 10 per cent, as compared with 20 per cent in Alaska and 21 per cent in Alberta; that the companies will be able to get back, as the minister said, their payments of royalty, their income tax and their costs; and that the first 25 per cent of their net profits will be exempt. Only when their profits have reached 100 per cent of their investment will the incremental royalty exceed 30 per cent. Let me consider the instance of a company which has invested $100 million. That company will be able to earn, in the last seven years of its ten-year lease, $25 million a year, on which it will not pay incremental royalty; in seven years it will take in $175 million on a $100 million investment. There will be no tax bite, except the 10 per cent royalty which the company will be required to pay.

I began by saying to the minister that I approved the idea of taxing the production of oil and gas companies so that the Crown shares to some extent in the profits made by the oil and gas industry. But this so-called progressive incremental royalty is a farce. A company with $100 million to invest will be able to make a profit of up to $100 million before the royalty exceeds 30 per cent; and that 30 per cent will be imposed only on the amount above the first $25 million of net profit calculated after it has taken into consideration its royalties and income tax.

We shall discuss this matter further when the government brings down the legislation. I appeal to the minister and to the government, to rethink their position seriously on this matter. Future generations will hold us accountable if we turn over 900 million acres in northern Canada, to say nothing of offshore areas, to oil companies, without holding on, as we have the right to do, to 50 per cent of the leases, and without making sure that there is a place for the government-owned oil company to act on behalf of the people of Canada in finding oil and gas. We must make sure the government-owned company provides sufficient competition in this field, so that the people of Canada are not ripped off by the oil and gas monopoly which has treated our people so badly in years gone by.

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

Mr. Stanfield: Mr. Speaker, as the minister recognizes, many questions come to mind. Did I understand the minister to say that the governor in council if it so decides, may direct Petro-Canada to explore in certain areas and drill in others? Did I understand him to say that the governor in council envisages this as part of his program? If so, who is running Petro-Canada, the directors of the company or the governor in council?

Mr. Gillespie: Mr. Speaker, two points need to be made clear. First, the agency, to which I referred as the new, unified resources management agency, will determine if a promising structure should be drilled. The agency would say to the permittee, or owner of that land, "We think it is promising, you should drill. We will give you a reasonable period of time." The time will be based on a number of factors, such as the availability of equipment, climate, and so on. If the private company decides not to accept that particular challenge from the agency, the federal government, through an order in council, will have power to direct Petro-Canada to drill that particular structure. As the hon. member may know, that particular power is written into the act constituting Petro-Canada. A specific section gives the government authority, through order in council, to direct in writing the activities of Petro-Canada.

Mr. Stanfield: Mr. Speaker, God help us all. May I ask the minister what the current situation is with regard to the offshore rights claimed by the provinces? Has the Government of Canada reached an understanding with the eastern provinces and British Columbia about offshore rights and leases or, will companies operating in those waters find that they must deal with both the federal government and the provinces? Would the minister in a word or two tell us about the prospects of a solution of that problem?

Mr. Gillespie: Mr. Speaker, I expressed the hope last night when answering a question asked by a colleague of the hon. member—and I am much more hopeful now than I was six months ago—that it would be possible to work out reasonably soon a new understanding with the maritime provinces, including Newfoundland, concerning the administration and division of revenues from offshore resources. There have been recent meetings and I am hopeful that we can proceed quickly to some solution.

Mr. Gillies: Mr. Speaker, I notice, having perused a copy of the minister's statement, that it says practically nothing about native peoples. Does the government plan to allow the native peoples a proportion of royalty income? Is this to be included in the regulations?

Mr. Gillespie: Mr. Speaker, I said in the early part of my remarks this afternoon, these regulations, of course, are conditional upon acceptable environmental and social conditions being met. These, of course, are matters on which the Minister of the Environment (Mr. Marchand) and the Minister of Indian Affairs and Northern Development (Mr. Buchanan) can answer. Undoubtedly, as the hon. member

knows, consideration will be given to a suggestion already made by some northern peoples, namely, that there should be some participation in the revenues.

Mr. Gillies: Mr. Speaker, I seek further information. How does the government propose to proceed in view of the highly complicated costing procedure which this regulatory process will involve? Will it act on the basis of regulations which are to be passed by parliament, or on the basis of powers given to the department? I refer, for example, to the allocation of costs as between ring fencing and non-ring fencing activities. Who will determine how costs are to be allocated? Who will make the determination? I ask this because I am concerned about the fantastic involvement of regulations in management functions concerning the development of energy in this country. How does the government propose to deal with the myriads of problems which are implied and inherent in these types of regulations?

Mr. Gillespie: Mr. Speaker, I thought I made it clear that specialized expertise in this area will be sought. This expertise will repose in the new agency. There will be a period of time, clearly, from the start-up of the new régime until revenues are generated from the ring fence. Clearly this will take some years, in which we can work out the details of that.

Mr. Bawden: Mr. Speaker, the minister said in his summary that changes in the regulations regarding currently held lands will increase the required level of oil exploration work. As the minister seems so sure of his assertions, has he documents or background papers to prove that this will be the case? Can he also say if he has had consultations with industry, and if this activity will increase, or will it decrease?

● (1750)

Mr. Gillespie: Mr. Speaker, I want to make it very clear that my remarks dealt with the proposed changes in the regulations. The document that I tabled is a statement of policy with respect to the proposed Petroleum and Natural Gas Act, new Canada oil and gas land regulations. Quite clearly, parliament will have an opportunity during the course of consideration of this legislation to make input to those regulations.

Mr. Bawden: The minister obviously did not answer the question. What he said is that he has not done his homework. If he cares to answer my supplementary question, maybe he can prove he has done his homework. What is going to happen to present holdings of land by permit holders? The minister speaks about Canadian ownership, apparently the fact that the government intends to force 25 per cent Canadian ownership. I wonder how they planned that. What if, for example, Canadians are not willing to take up the other 25 per cent? Since the minister quoted statistics that indicate the percentages of foreign ownership are already too high, will he confirm that this will conclusively eliminate any foreign dollars being spent on these lands?

Mr. Gillespie: Mr. Speaker, the hon. member has asked more than one question. The first question was what will happen to existing permits under the new regime? Quite clearly we expect that some of the lands will be surrendered because the work obligations will be higher. We think that will be good. In other words, if a company is not prepared to spend a lot more money than it is presently spending on an attractive acreage, it should surrender and give somebody else a chance. That is the general answer to the first question.

As to the second question, about increasing Canadian ownership, quite frankly I am not as pessimistic as the hon. member about Canadians being ready to invest in their own country. The hon. member forgets that very few of them have had an opportunity to do so. If he were to look at the way those permits are now being held, he would find that the large majority—I already indicated the numbers—are held by companies in which there is a very small Canadian participation. We on this side think that should be changed. He may not.

There are three areas where this new power that we are seeking will come to play. The first is with respect to existing permits, which is retroactive. There is no question, there is a substantial amount of retroactive legislation involved here with respect to existing permits. If an existing permit holder wants a special renewal, or a provisional lease, he is going to be faced with providing an option of a working interest for Petro-Canada. If he wants to go to a production licence, he will have to satisfy the minister that he can meet that 25 per cent ownership I am talking about.

The second has to do with lands which are not now under permit. I think this was referred to by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas). In this instance the minister will have the authority to determine whether that 25 per cent should be met in the exploration permit, quite apart from the production permit, because there we are moving to the future. It is not retroactive. Therefore in a number of very significant ways we want to open up the opportunities for Canadian participation in the north and Canadian ownership.

Mr. Speaker: Order, please. In order to conclude the questioning, I propose to recognize the hon. member for Calgary South (Mr. Bawden) for a final supplementary, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), the hon. member for Moose Jaw (Mr. Neil), and the hon. member for Esquimalt-Saanich (Mr. Munro). That will undoubtedly take us past the ordinary hour or adjournment, which was provided for in the order made by the House earlier this day. However, in order to be absolutely sure of the regularity of our proceedings, it ought to be deemed that the order under consideration at the hour of adjournment was Bill C-84 and that the floor was held by the hon. member for Burnaby-Seymour (Mr. Raines). Is that understood and agreed?

Some hon. Members: Agreed.

Mr. Bawden: Mr. Speaker, I would like to ask the minister a further question. The minister knows very well that the government has been in charge of the rules for most of the time since oil was first discovered in this country. There has never been a climate sufficient to encourage Canadians even to invest in the low risk areas of Alberta. Does the minister propose to recommend to the Minister of Finance, and to take an active role in seeing that the rules

are changed in this country so that Canadians truly have the opportunity to deal with this in a financial way? This has nothing to do with high risk areas where he is saying they will be forced into accepting 25 per cent in the Arctic areas.

Perhaps at the same time he can advise whether this new petroleum revenue tax will be a deductible expense for those companies that ultimately end up paying it. Will it be deductible for tax purposes, as was adjusted in the last budget, or will it not be deductible unless it is a very serious disincentive to expenditure?

Mr. Gillespie: Mr. Speaker, I again ask the hon. member to look at the document. I realize he has not had much time to do so. He might be very interested in seeing Canadian ownership. If he looks at that he will also see how far back these permits go. It is pretty darn hard to make the argument that Canadians would have invested when there is no way they had a chance because somebody already held their acreage. He seems to have a major blind spot there. As to his second question with respect to the PIR, I am informed that would not be a deductible expense for calculating corporate income tax.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the new regulations propose to set up new work requirements which those holding permits must perform. If these regulations were to come into effect tomorrow, what percentage of the companies operating in the Arctic would qualify as having met those requirements, and what percentage would not?

Mr. Gillespie: Mr. Speaker, I cannot give the hon. member the percentage of the companies because there is a large number, some with very small holdings. If the hon. member looks at the acreage on the permit he will find that only 35 per cent of the acreage under permit would now qualify under that 25 per cent rule.

Perhaps I might make another point while on my feet. It deals with the question of corridor acreage about which the hon. member for Nanaimo-Cowichan-The Islands made a great deal. I thought he would have known, because I tried to emphasize it in my remarks, that the Crown does not have a completely unencumbered right to the 50 per cent under the old checkerboard system. Indeed the company had the option to possess that additional 50 per cent by paying a higher royalty. That is an important point. Quite clearly, if it was very attractive, the company would do that.

There is a second point worth noting. Generally speaking that corridor acreage was worth between 15 and 20 per cent in terms of the producibility of the area. It is again not accurate to convey that was 50 per cent of the asset.

Third, if you consider the application of the corridor and checkerboard system to the Arctic and Arctic Islands, you have to acknowledge that the situation there is very different from the kind of situation we have with land in a province like Alberta. There is a whole series of points that needs to be made with respect to corridor acreage. The main one I want to make is that the government is giving up 50 per cent of a producing asset under the new system.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I do not want to argue again with the minister. I am only allowed to ask a question. Since he is changing many of the existing agreements I thought he would have changed this one as well to give the government 50 per cent, as does the province of Alberta and the province of Saskatchewan, should they allow a permit to go to lease. In view of the statement he made that Petro-Canada will be given the first shot at any areas which are not under permit, may I ask what acreage that would involve in the Arctic at the present time—what proportion of the total acreage?

● (1800)

Mr. Gillespie: There are hundreds of millions of acres still available and not under permit. I do not want to make a judgment as to the quality of that acreage. But there are vast tracts.

Mr. Douglas (Nanaimo-Cowichan-The Islands): My information is that of some 960 million acres about 827 million acres are already under permit, or controlled in some way, that is, about 80 per cent. But I will leave that point and discuss it with the minister at some other time.

The minister said Petro-Canada will also have the option to acquire a working interest of up to 25 per cent in permits which are granted special renewal by the minister. Why should there be a limitation of 25 per cent? I keep noticing that Petro-Canada always gets in at the tail end—they are only allowed in when nobody else is interested, or when the government has ordered them in. Now, in the case of special renewal, they are to get an equity of only 25 per cent, which gives them no control, and unless they are in the marketing business the oil is not of much use to them.

Mr. Gillespie: That is the kind of figure I would have to put down as a judgment call, one which balances a number of factors involved. The point which needs to be made is that Petro-Canada would have an option to get in at no cost to itself for any previous work which had been done. It would, of course, be obliged to pay its way in all future developments.

Mr. Neil: Mr. Speaker, my question also has to do with the 25 per cent level of minimum Canadian ownership. In the news release the minister handed out reference is made to this requirement before production is allowed. In response to the hon. member for Calgary South (Mr. Bawden) the hon. gentleman indicated that this also referred to permits. Can the minister advise us what period of time will be allowed a company to qualify under this requirement of 25 per cent Canadian ownership? Will this be set by regulation, will it be part of the act, or will it be up to the discretion of the minister? I should further like to ask whether or not there have been discussions with the industry as far as this provision is concerned, and whether any problems are envisaged by the industry itself.

Mr. Gillespie: This is a discretionary item as far as the minister is concerned; there is discretion for working out what might be considered a reasonable period, particularly during the transition stage. As to the reaction of the industry to this proposal I can say that in general terms this

principle has been explored with a number of companies. I anticipate that some would think it is a good provision—I say this based on the comments I have heard from them. Others would not be so favourably inclined.

Mr. Neil: With respect to the option that allows the government to take royalties in kind rather than in cash, would the minister advise whether it is the government's intention to use Petro-Can as the vehicle to refine, produce, and market this oil, or has he some other method in mind?

Mr. Gillespie: Mr. Speaker, that is jumping a long way ahead. Quite clearly Petro-Canada has the power to get into the refining and marketing of petroleum products. We have always made it quite clear that the first priority for Petro-Canada was the exploration of Canadian resources and the development of them. The provision we have been discussing here with respect to the federal government's having the power to take royalties in kind would provide an opportunity for Petro-Canada, acting as the agent of the federal government, to take title to that natural gas or oil and consider marketing arrangements for them. But I put it to the hon. member that that is a power the implementation or use of which would be many years away.

Energy

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, my question is prompted by the question on off shore jurisdiction asked by the hon. member for Halifax (Mr. Stanfield). Seaward offshore jurisdiction is one thing. In the particular case of British Columbia may I ask the minister whether there has been any resolution of the jurisdictional dispute between the federal authorities and the province of British Columbia over the waters between Vancouver Island and the mainland, and between the Queen Charlottes and the mainland? In other words, who will be empowered to issue exploration licences in these waters, and who will collect the royalties on any finds? In any event, because of the many changes, has there been any consultation on this matter with the province of British Columbia?

Mr. Gillespie: Mr. Speaker, I am informed that there has been consultation but to date no agreement has been reached with respect to these matters that the hon. member raises. Therefore I cannot answer the second part of his question.

Mr. Speaker: Order, please. Orders of the day. It being after six o'clock this House stands adjourned until two p.m. tomorrow.

At 6.09 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, May 20, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

ADMINISTRATION OF JUSTICE

REQUEST THAT SOLICITOR GENERAL TABLE LETTER TO PAROLE BOARD CONCERNING REINSTATEMENT OF MR. MARCHAND'S DRIVER'S LICENCE—MOTION UNDER S.O. 43

Mr. Ray Hnatyshyn (Saskatoon-Biggar): I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43. The Solicitor General (Mr. Allmand) has admitted today in the Standing Committee on Justice and Legal Affairs that he has personally communicated with the chairman of the National Parole Board concerning a proposed application by the Minister of the Environment to suspend or revoke a prohibition from driving. In order that there be no question that the Solicitor General's actions would be subject to the interpretation of representations on behalf of a cabinet colleague, to a board under the jurisdiction of the Solicitor General, I move, seconded by the hon. member for Regina East (Mr. Balfour):

That this House direct the Solicitor General to immediately table all documents relating to the Solicitor General's communications with the National Parole Board concerning the conviction of the Minister of the Environment and make a statement on motions concerning details of the circumstances of this matter.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. A motion of this sort can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

OLD AGE SECURITY ACT

SUGGESTED AMENDMENT TO PROVIDE FOR PAYMENT OF SPOUSE'S ALLOWANCE TO WIDOWS, SPINSTERS, WIDOWERS AND BACHELORS BETWEEN 60 AND 65—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave to present a motion under Standing Order 43. It relates to a matter which is even more urgent than it was the last time I made this proposal to the House. I move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That this House urges the government to introduce without delay an amendment to the Old Age Security Act to provide for the spouse's allowance which is paid thereunder to be paid also to widows, spinsters, widowers and bachelors between the ages of 60 and 65, on the basis of need or preferably on the basis of their being out of the labour market.

Mr. Speaker: Such a motion can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

UNEMPLOYMENT INSURANCE

REQUEST FOR CLARIFICATION OF CONFLICTING STATEMENTS ABOUT DEFRAUDING OF COMMISSION—MOTION UNDER S.O. 43

Mr. Tom Cossitt (Leeds): Mr. Speaker, I rise under the provisions of Standing Order 43 to seek leave of the House to move, seconded by the hon. member for Winnipeg South Centre (Mr. McKenzie):

That the Minister of Manpower and Immigration and the Solicitor General be required to give an immediate explanation of the obvious discrepancies between the admission made by the Minister of Manpower yesterday that the defrauding of the Unemployment Insurance Commission was a serious situation because of its size and that it was more than an ordinary problem and the public statement made by a member of the Royal Canadian Mounted Police that the matter is not as serious as stated by the minister, further that the Minister of Manpower and Immigration should explain to the House the reasons why certain details of an investigation being conducted by the Unemployment Insurance Commission parallel to the RCMP investigation have apparently been withheld from the RCMP, that the House receive immediate information as to whether this was done under pressure of political considerations to avoid scandal to the government and, finally, that a judicial inquiry be immediately ordered into the entire operations of the UIC with full powers to bring out all details of corruption and to make recommendations for reforming the commission.

Mr. Speaker: Such a motion can only be presented with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

IMMIGRATION

PROPOSAL TO GRANT LANDED IMMIGRANT STATUS TO STEVEN BADGER—MOTION UNDER S.O. 43

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, pursuant to Standing Order 43, I rise to move a motion of urgent and pressing necessity which relates to

the attempt of Steven Badger, the Australian swimmer, to obtain landed immigrant status in order to enable him to represent Canada at this summer's Olympic Games. In view of the fact that this exceptional swimmer would strongly boost our nation's much needed chances at the games, and because his application was made from abroad sometime ago, in accordance with the laws, and keeping in mind as well the fact that the minister has granted within the last two years alone over 18,000 ministerial permits to applicants who did not qualify for landed immigrant status, many of them to shady and corrupt characters like General Quang, because the IOC has not as yet approved the so-called commonwealth switch and time is quickly running out, I move, seconded by the hon. member for Provencher (Mr. Epp):

That this House instruct the Minister of Immigration to utilize his department's policy in respect to special consideration regarding cases of exceptional merit, under which Steven Badger unquestionably qualifies, and grant him the landed immigrant status which he so desperately needs by May 31 of this year in order to qualify for and strengthen our Olympic team.

Mr. Speaker: Standing Order 43 requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1410)

HEALTH

REQUEST FOR INCREASED FUNDS FOR MEDICAL RESEARCH COUNCIL—MOTION UNDER S.O. 43

Mr. Bruce Halliday (Oxford): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In view of the national significance of the large gathering here in Ottawa today of members of the newly formed group of "Canadians for Health Research", comprising representatives of both professional and voluntary health groups as well as other lay organizations, and in view of the recent announcement by the Minister of National Health and Welfare that he intends to increase the budget of the Medical Research Council by only $2 million, thereby leaving it about $4 million short of funds sufficient to continue operation at the same level as last year; I move, seconded by the hon. member for Athabasca (Mr. Yewchuk):

That this House urge the government to recognize both the need for restraint and the need for medical research by giving immediate reconsideration to funding the Medical Research Council to a level which will maintain its activities on a par with those of the past year.

Mr. Speaker: Pursuant to Standing Order 43, this motion can be presented for debate only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No.

Mr. Speaker: Then the motion cannot be put.

[Mr. Jelinek.]

HARBOURS

RESTRUCTURING OF HARBOURS BOARD JEOPARDIZING PORT OF CHURCHILL—MOTION UNDER S.O. 43

Mr. Cecil Smith (Churchill): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of national concern. Last year, a task force was formed by the Ministry of Transport to bring forth recommendations for the restructuring of the National Harbours Board. Bearing in mind that the report of this task force has not, as yet been finalized, I move, seconded by the hon. member for Swift Current-Maple Creek (Mr. Hamilton):

That the minister advise this House why certain proposals or recommendations contained in the draft report are now being implemented at a time of year when such restructuring could place the important Churchill shipping season in jeopardy.

Mr. Speaker: Such a motion can be presented pursuant to Standing Order 43 only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

SUPPLY AND SERVICES

REQUEST FOR TABLING OF LOCKHEED CONTRACT—AMOUNT OF GOVERNMENT'S LIABILITY TO LOCKHEED

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of Supply and Services. Since the Lockheed Orion fiasco may already have cost the Canadian taxpayer over $34 million, would the hon. gentleman now table the unsigned contract with Lockheed that got us into this mess?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, of course I find it very difficult to table in the House a document which has no meaning whatsoever. I know that some members of the opposition did refer to documents which have never been tabled in the House. The document in question has not been signed by the parties, and as such it simply does not exist, legally speaking.

[*English*]

Mr. McKinnon: Well, Mr. Speaker, the document itself may be meaningless as far as a contract is concerned, but we are interested in the procedures which led the government into this mess. As the minister has told us he was willing to table this contract once it had been signed we are now forced to the conclusion that he has something to hide. In any event, may I ask him this question: Since an array of figures is being thrown around as to how much this affair may have cost us, will the minister tell the House how much money has been spent by the government and what the government liability to the Lockheed Corporation might ultimately be?

[*Translation*]

Mr. Goyer: Mr. Speaker, if the hon. member has doubts about things which the government might be hiding, I would ask him to be quite intellectual and voice them openly before the public.

In reply to the second part of his question, I would say that our legal commitment, as I have always stated in the House, is restricted to $16 million. Up to now, we have made payments to Lockheed amounting to $10,800,000 for the work performed and we shall examine with the company the consequences of voiding all our contractual bonds with it. Of course, all those figures are subject to audit by government officials.

[*English*]

LOCKHEED CONTRACT—NAMES OF PERSONS AUTHORIZING START OF WORK AND EXTENDING OPTION

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, may I first reply to the minister as honestly and intellectually as I can. I certainly do doubt him on this matter from start to finish.

Some hon. Members: Hear, hear.

Mr. McKinnon: On December 2 the minister authorized Lockheed to start work on the project, and on April fool's day the minister signed an agreement, which apparently accepted liability for $16 million for work in progress, in order to extend time to find the interim financing. Would the minister tell the House who approved those two decisions, the authorization to start and the acceptance of liability, and were they made on the advice of the President of the Treasury Board, the Minister of National Defence and the LRPA project team?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Yes, Mr. Speaker.

[*English*]

REQUEST FOR TABLING ASSESSMENTS OF SOLVENCY OF LOCKHEED

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, my question is for the Minister of Supply and Services. General Allan advised the defence committee this morning that the Department of Supply and Services made periodic assessments of the solvency of Lockheed for the LRPA project team. Would the minister table those assessments and tell the House whether they did include any precise analysis of whether Lockheed had the capacity to provide over $300 million of interim financing?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker I have always indicated to the House that the government was determined to deal with Lockheed because, it its opinion, this company did not present as enormous a risk as the opposition tried to make believe.

We had access to information which Lockheed considers to be confidential and it is not my business to reveal information which is indeed exclusively Lockheed's. However, if the company wishes to make public these financial arrangements while we are negotiating or later on, it is up to them.

* * *

[*English*]

NATIONAL DEFENCE

LOCKHEED CONTRACT—REASON GOVERNMENT UNAWARE OF UNDERSTANDING WITH UNITED STATES AUTHORITIES COMPANY WOULD NOT BORROW

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, may I direct a supplementary question to the Minister of National Defence. The Minister of Defence told the defence committee on March 23 that Lockheed did not reveal that they had an understanding with the United States government and U.S. banks that they would not borrow any further moneys. I would like the minister to tell the House why the government did not know that in any case, as it was public knowledge and must have been made available to those who supposedly assessed Lockheed's financial status.

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I cannot respond because I do not know to what the first part of the question, or the whole of that question, refers. I will have to ask the hon. member to repeat it.

Mr. McKenzie: Mr. Speaker, I repeat my question. The Minister of Defence told the defence committee on March 23 that Lockheed did not reveal that they had an understanding with the United States government and U.S. banks that they would not borrow any further moneys. I would like the minister to tell the House why the government did not know that in any case, as it was public knowledge and must have been made available to those who supposedly assessed Lockheed's financial status.

Mr. Richardson: Mr. Speaker, I will have to return to the record of that meeting before I can reply to the question. I will take it as notice.

* * *

SUPPLY AND SERVICES

LOCKHEED CONTRACT—REQUEST FOR TABLING OF AGREEMENT TO EXTEND OPTION—POSSIBILITY OF LEGAL ADVICE PRIOR TO SIGNING AGREEMENT

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question also is directed to the Minister of Supply and Services. I presume that the minister has no objection, by the way, to tabling the option agreement for the renewal, since it is an agreement and there is a clear commitment under it to $16 million. I hope the minister is going to nod his head and agree to table the document, which was obviously signed by both parties. I see he is nodding his head.

An hon. Member: It's a nervous tick.

Mr. Leggatt: It was indicated in the House that the Department of Justice had given legal advise in this

matter. Would the minister advise whether he received any legal advice either from justice or from any other source, prior to his commitment to the $16 million, in extending the Lockheed contract for one month? Did he receive any legal advice and, if so, what was that legal advice in terms of Canada's commitment at that point to the Lockheed Corporation?

● (1420)

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, throughout the negotiations, and God knows how long and difficult they were, we constantly checked all our actions and decisions with officers from the Department of Justice, that is those who are permanent in my department or those who had been lent by the Department of Justice to my department. Therefore, I can say that, as far as I know, there was no action that was not checked and verified by the Department of Justice, as it must normally be done.

[*English*]

Mr. Leggatt: Mr. Speaker, I am sure you will pardon me if I did not quite understand that answer. The question was, did the minister get legal advice that the government was committed to the Lockheed Corporation as a result of the announcement of the agreement in principle which the Minister of National Defence made on November 27? Was there legal advice given to the minister, and was there a legal commitment before he entered into the renewal or the extension of the option with the Lockheed Corporation? That is the question and it is a clear one. It is not a question of verification, it is a question of what was the advice the minister received, and did he follow it? Would you respond to that question, please?

[*Translation*]

Mr. Goyer: Mr. Speaker, if the hon. member refers to an action taken by the Department of National Defence on November 27, I do not know then why this question is directed to me.

[*English*]

Mr. Leggatt: I will try to get the second language down a little better, Mr. Speaker, and perhaps then I can get through to the minister.

An hon. Member: Get the first language down.

Some hon. Members: Oh, oh!

Mr. Leggatt: The first language, agreed. My final supplementary question is this. Prior to the letter that was sent on December 2 authorizing the Lockheed Corporation to proceed with work, which followed the November 27 announcement of the agreement in principle, did the minister receive any legal advice at that point, and did he check with the Treasury Board prior to sending out that letter or that communication as to the availability of funds from the government for that contract?

[*Translation*]

Mr. Goyer: Finally, the question is more precise, Mr. Speaker.

[Mr. Leggatt.]

On December 2, a telex, equivalent to a letter of intent and signed by myself, was sent to Lockheed indicating our intent to sign a contract with them, if ever they met certain conditions, which was done in fact. It is from that moment, according to the lawyers of the Department of Justice, that we had a contractual link with Lockheed. This authorization of course was the result of a decision by the Treasury Board and the Department of National Defence.

* * *

AGRICULTURE

ATTITUDE OF PRODUCERS TO NEW DAIRY POLICY—ALLEGED REQUEST OF UPA FOR RESIGNATION OF THREE COMMISSIONERS

Mr. André Fortin (Lotbinière): Mr. Speaker, I want to put a question to the Minister of Agriculture.

Following the announcement of the new dairy policy for 1976, did the minister receive any reactions, positive or negative, either from the industrial milk producers unions or the executive of the Federation of Industrial Milk Producers of Quebec, or the Agricultural Producers' Union? If so, what was the minister's response?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, we have received reactions from them to the effect that they are not satisfied with the program. This was not unexpected. The only answer I could give them was to confirm that I had received the representations and they would be considered.

[*Translation*]

Mr. Fortin: Mr. Speaker, I want to put a supplementary question.

The minister confirms that the policy announced by his government is unsatisfactory for producers, according to their reactions. Given this situation, can the minister tell the House if the producers' grievances are founded and legitimate and, therefore, if he is going to act to serve both the producers' and the consumers' interests, or if he intends simply to leave things as they are now?

[*English*]

Mr. Whelan: Mr. Speaker, much of the problem in Quebec is the same as in other provinces. It is within the responsibility of their own marketing boards to iron out some of their problems. It is they who set the market share quota system and decide what the supply of milk shall be. We tried to tell them last June and last September that they were producing away more than the market could possibly absorb. They did not pay much attention to us. They increased it. So all we can do is make the rules known to them, show them that we mean business, and that we cannot afford to spend government money and they cannot afford to produce a product for which there is no market, as I said yesterday and will say again.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I want to ask a final supplementary question.

Can the Minister of Agriculture tell the House whether he has received from the Agricultural Producers' Union a letter demanding the resignation of three commissioners of the Canadian Dairy Commission, and if he has received such a request, whether he intends to comply with it?

[*English*]

Mr. Whelan: Mr. Speaker, I have received this type of request, I believe from the UPA, but I do not remember whether it is for all three commissioners. I do not feel that all three commissioners are totally responsible for the present condition of the industrial milk supply. I think they have to recognize they are as responsible as the dairy commissioners of Canada because the dairy commissioners of Canada recognized the problem, tried to tell them what problem they were getting into and so on, and they paid little attention to it.

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NATIONAL DEFENCE

EFFECT OF CANCELLING PURCHASE OF "ORION" ON NATO MEETING—GOVERNMENT ACTION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, my question is for the Minister of National Defence. In view of the statements coming out of Oslo this morning and the headlines in both Ottawa newspapers this afternoon which I am sure the minister has read stating that the face of the Secretary General of NATO turned white and his jaw dropped when he heard the news about the Orion this morning, can the minister give me, as the person representing us on the military committee of the NATO parliamentary meeting which will be held next week in Brussels, some good news about tanks or anything at all—I will accept anything—that I can pass on to this meeting to try to counteract the simply terrible news that broke on the NATO ministerial meeting at Oslo this morning?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I am very pleased to know that the Secretary-General of NATO feels that Canada's contribution to NATO is so important that our decision would have that effect on him. But also, Mr. Speaker, I should make very clear to the House and to the country that the government's policy has not changed.

An hon. Member: What policy?

Mr. Hees: That is the trouble.

Mr. Richardson: The government is committed to support NATO. We are going to stay in the anti-submarine role. We would in any event have been fulfilling our anti-submarine role with the Argus fleet for the next four years. We will certainly be doing that. There will be no change. The only thing we may change is the type of equipment we may use to replace the Argus in the early eighties.

Mr. Hees: Mr. Speaker, if the minister would take the trouble to attend any of these NATO meetings he would know what our NATO partners think about our contribution to NATO. It is not a very nice opinion I can assure him and anyone else who attends these meetings will back me up on that. I would ask the minister this: Does he really believe that a vague, general non-answer such as he gave me is anything to change the opinion of our NATO allies as to the kind of contribution that we have made, are making, and intend to make in the future?

● (1430)

Mr. Richardson: Mr. Speaker, I would like to say first of all that I have attended all NATO defence ministers' meetings in recent years and I think many more than the hon. member. In fact, I am not certain that he ever attended any.

Some hon. Members: Hear, hear!

Mr. Richardson: But of more importance is the government's over-all policy of re-equiping the Canadian armed forces, which is reflected in the fact that the defence budget is up by $400 million this year over last year, and the new equipment purchases are up 34 per cent over last year,—

Some hon. Members: Oh, oh!

Mr. Richardson: —and all this does not include the major expenditures which are in an advanced planning stage, for the purchase of tanks and of general purpose armoured vehicles. Our over-all policy of re-equiping the forces is proceeding, our commitment to the anti-submarine program is continuing, and the only change that this decision will bring about is that we would do that with possibly different equipment than originally planned.

Mr. Hees: Mr. Speaker, if the minister would take the trouble to find out who it is that represents this parliament at the parliamentary meetings of NATO, he would know I have been there on quite a number of occasions.

Some hon. Members: Question.

Mr. Hees: Does the minister not realize that when you let your equipment run down as low as this government has let our NATO equipment run down, it takes a great deal more than he is doing to bring it up to even a close approach to what it was when it started 25 years ago.

Some hon. Members: Hear, hear!

* * *

INDUSTRY

ALLEGED DECISION TO CLOSE RCA RESEARCH LABORATORY IN MONTREAL—GOVERNMENT ACTION

Mr. Frank Maine (Wellington): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. In view of the guidelines for the conduct of foreign controlled businesses operating in Canada as set out by the then minister of industry, trade and commerce in July of 1975, and in view of the fact that Radio Corporation of America has decided to rationalize its north American manufacturing and control it from New York, resulting in the closing of the RCA research laboratory in Montreal in

contravention of the new principles of international business conduct to which I referred, does the minister plan to take action to ensure that RCA observes the government's guidelines and so reverse this totally irresponsible decision?

Some hon. Members: Hear, hear!

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, the chief executive officer and other officers of RCA called on me late last week and indicated their intention to undertake what would have to be described as substantial corporate structural changes. I expressed my disappointment over what was being planned.

Some hon. Members: Oh, oh!

Mr. Woolliams: You had a long face.

Mr. Jamieson: Whatever I may have in this House I do not think any hon. member looking at me can feel I would ever have a long face. I have a round one. In any event, we undertook to have further consultations and I asked them for considerably more detail as to what their intentions are and as to whether or not they will in fact be breaching what has been described as good behaviour guidelines. I will report to the hon. member in the House later on those meetings.

* * *

HARBOURS

CHURCHILL—REQUEST FOR REINSTATEMENT OF PORT MANAGER

Mr. Cecil Smith (Churchill): Mr. Speaker, my question is for the Minister of Transport. The port of Churchill is considered a remote port because of its mid-Canada location. The port's remoteness demands on the spot decisions by an experienced port manager during its 88 day grain shipping season. Will the minister take immediate action to have the present port manager reinstated so that this port can carry on with one of its most important grain shipping seasons in the history of the port without further delay or restructing?

Hon. Otto E. Lang (Minister of Transport): No, Mr. Speaker, although I do appreciate the hon. member's complimentary remarks about the record season which will be accomplished in Churchill this year. I can also assure the hon. member that there will be adequate management but a new man.

Mr. Smith (Churchill): Mr. Speaker, my supplementary question is to the same minister. I certainly cannot agree with his remarks. I feel that this port is now being placed in jeopardy with the changing of the port manager and the restructuring. Will the minister assure us at this time that there will be a port manager in Churchill within the next ten days to get the season underway?

Mr. Lang: Mr. Speaker, I can assure the hon. member that the port of Churchill has been given a great deal of attention. The chairman of the National Harbours Board in fact visited the port himself in the last week and is giving personal attention to make sure that the port is indeed effective in its operations.

* * *

ENERGY

REQUEST MINISTER ADJUDICATE DISPUTE BETWEEN QUEBEC AND NEWFOUNDLAND OVER CHURCHILL FALLS POWER—REFERENCE TO ENERGY BOARD

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to direct a question to the Minister of Energy, Mines and Resources. Today in the Newfoundland legislature Premier Moores has announced that unless Quebec were able to provide an agreement with Newfoundland by May 31 on the recall of 800 megawatts of power up to 1982 from the Churchill Falls agreement there would be recourse to whatever legal means the province has at its disposal. Is the minister prepared to adjudicate the dispute between the two provinces to avoid what could be a very serious confrontation, or at best is he prepared to instruct the National Energy Board to refuse to provide the province of Quebec with any more export licences to sell their surplus Churchill Falls power to New York state?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I am not certain that it is the role of a federal minister to adjudicate a dispute between two provinces. However, if the two provinces came to me and said, "We want to see whether we can work out an arrangement which would solve our separate problems", and perhaps assist in some way the Maritime provinces as well, I would be delighted to sit down with them.

Mr. McGrath: In view of the fact that Newfoundland, like its sister Atlantic provinces, will have a very serious energy shortage by 1980 and hence it is absolutely essential that we be able to recall power from Churchill Falls which is now going into the Quebec grid and a lot of it going to ConEd in New York State, may I ask the minister if he is prepared to refer this matter to the National Energy Board to reassess the whole export licence program that has been given to Quebec to sell this power to New York?

Mr. Gillespie: I think that the matter is now before the National Energy Board. I think there is an application to export by the province of Quebec before the National Energy Board, and undoubtedly the board will take note of the hon. member's representations.

* * *

GOVERNMENT ADMINISTRATION

REQUEST FOR INCREASED FUNDS FOR MEDICAL RESEARCH—PROPOSED FIVE-YEAR FUNDING PROGRAM

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the President of the Treasury Board in the absence of the Minister of National Health and Welfare. In view of the large and imposing delegation representing the medical research communities across Canada and their associated voluntary associations

which made representations to the government today, indicating, first, that the money allocated for medical research in this year's estimate is completely inadequate, and, second, that the $2 million increase announced by the Minister of National Health and Welfare on Tuesday will not meet the needs of medical research, can the minister indicate whether further consideration is being given to the needs of medical research for the coming year?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, I would have thought that the Medical Research Council would have been very pleased with our granting another $2 million, which would be a rather significant increase from last year, but of course the government cannot increase its grants to this or any other group in Canada because of the budgetary cutbacks.

[*English*]

Mr. Orlikow: It is interesting that the Minister of National Defence a few minutes ago indicated that there is a $400 million increase for national defence this year and the President of the Treasury Board thinks that medical research should be satisfied and happy with $2 million.

May I ask the President of the Treasury Board whether, in view of the repeated representations by researchers that the government's present stop and go policy for financing medical research destroys not only existing programs and future programs but helps to discourage potential medical researchers from going into the field, the minister can indicate if the government will give some consideration to the proposals made again this year by medical researchers that the government work out a five year funding program for medical researchers so that long range plans can be made?

● (1440)

Mr. Bob Kaplan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, as the minister indicated at the last meeting of the health committee at which the medical research estimates were considered, he is proposing to look into the question of developing a long-term basis for determining the needs of medical research and the appropriate method of funding. As a matter of fact, the minister is meeting with representatives this afternoon at 3.30. He is looking forward to a discussion and to hearing their views.

* * *

[*Translation*]

EXTERNAL AFFAIRS

COMPARISON OF CONTRIBUTIONS OF OPEC COUNTRIES AND CANADA TO COMMON FUND ESTABLISHED AT UNCTAD CONFERENCE

Mr. Herb Breau (Gloucester): Mr. Speaker, since the Secretary of State for External Affairs is absent, I would like to ask a question of his parliamentary secretary, if her voice has improved. Following the question of the hon. member for Yorkton-Melville (Mr. Nystrom) yesterday about the UNCTAD conference and an alleged participation by the OPEC countries, I would like to ask the parliamentary secretary to indicate whether she is aware that the OPEC countries made a commitment to the common fund for the buffer stocks. If so, how does this commitment compare with the one Canada has made so far?

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I would like to take the opportunity of using my improved voice to correct what I said yesterday to the hon. member for Yorkton-Melville and point out that during the UNCTAD IV conference in Nairobi the Secretary of State for External Affairs (Mr. MacEachen) said that we were prepared to look favourably into the idea of a common fund. As for what the hon. member for Yorkton-Melville said about the contribution of the OPEC nations, I must say today that, as far as we know, these nations have not made any commitment to the common fund and that Canada did clearly announce its financial participation to a common fund for tin.

* * *

[*English*]

ADMINISTRATION OF JUSTICE

ALLEGED INTERVENTION OF SOLICITOR GENERAL TO HAVE MR. MARCHAND'S DRIVER'S LICENCE RESTORED—REQUEST FOR EXPLANATION

Mr. Jim Balfour (Regina East): Mr. Speaker, my question is for the Solicitor General. Will the minister explain to the House the basis for his communications to the National Parole Board on behalf of his colleague, the Minister of the Environment, which led to the lifting of the minister's driving suspension five and a half month's early?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, as I explained in the Justice Committee this morning, I made no such representations to the National Parole Board. The Minister of the Environment asked me if there was any procedure to have a licence suspension revoked. I said there was. He asked me for the criteria and the procedure, and I merely asked the Parole Board to send that procedure to the minister, which in fact was done.

An hon. Member: Oh, come on.

Mr. Allmand: I never knew that he made any application under that procedure, nor did I know that the board had been seized of it or that a decision was made until I read about it this morning.

REQUEST FOR TABLING OF CORRESPONDENCE BETWEEN SOLICITOR GENERAL AND PAROLE BOARD RELATING TO RESTORATION OF MR. MARCHAND'S DRIVER'S LICENCE

Mr. Jim Balfour (Regina East): Will the Solicitor General table all documents and copies of correspondence in his possession relating to this entire matter in order that justice will not only be done, but will be seen to be done?

Mr. Trudeau: Why don't you put your gumshoes on? Why don't you hire a private investigator?

Some hon. Members: Oh, oh!

Mr. Paproski: Why don't you slide down a bannister?

Hon. Warren Allmand (Solicitor General): I have no correspondence or documents in this case. I received merely a document with the procedure and the criteria on it, which I thought would have been sent directly to the minister, but it was sent to my office to be given to him. However, the file is in the hands of the National Parole Board. That is an independent quasi-judicial body. The hon. member would have to ask the board for any correspondence or material. I have no right to interfere.

Some hon. Members: Oh, oh!

* * *

INQUIRY OF THE MINISTRY

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I would like to ask the Prime Minister a question. Would the Prime Minister advise the House what circumstances led to his unprecedented visit to the Supreme Court of Canada, and what was the purpose of it?

Some hon. Members: Oh, oh!

Mr. Blais: How about church?

Mr. Speaker: Order, please. I am sure that if the Prime Minister is left to answer that question by himself, he will be quite able to do so.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I was invited.

Some hon. Members: Hear, hear!

Mr. Jake Epp (Provencher): Mr. Speaker, I would have liked to ask a question of the Minister of Manpower and Immigration. However, I see that the case of the disappearing minister is with us again, and I will reserve my question until he is back.

* * *

EXTERNAL AFFAIRS

REQUEST FOR CLARIFICATION OF CONFLICTING STATEMENTS ON NUCLEAR AGREEMENT WITH INDIA—ROLE OF MR. HEAD

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is for the Prime Minister. In view of the fact that the Secretary of State for External Affairs stated in the House on Tuesday that Canada, in its negotiations with India, had never varied from the position that all nuclear facilities originating in Canada must be safeguarded but that last night the Indian foreign minister stated that his government understood that the safeguard in question had been settled and that India had a binding agreement with Canada, will the Prime Minister indicate whether Mr. Head, when he was in New Delhi last March, exceeded his authority when negotiating that agreement with India?

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, the document which was initialled by our officials in India was an ad referendum agreement and is not binding on any government. That is a well known technique following discussions. Canada has done everything possible to upgrade the safeguards in India, and in trying to conclude an agreement Canada was not able to reach the levels she wanted.

NUCLEAR AGREEMENT WITH INDIA—POSSIBILITY CABINET REVERSED EARLIER DECISION

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my supplementary is for the Prime Minister or for a responsible minister.

Some hon. Members: Oh, oh!

Mr. Hnatyshyn: Ask somebody else, then.

Mr. Lawrence: If in initialling the agreement Mr. Head was within the instructions given to him by the government, is it not a valid conclusion that the cabinet reversed itself on this matter?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I apologize for standing in front of a lady.

Mr. Hnatyshyn: He said a responsible minister.

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I probably expressed myself badly earlier. I said that the officials of the government had initialled, and not signed, an ad referendum agreement. That is not an agreement. It is a document called "ad referendum agreement", and so there was no reversal of any cabinet decision whatsoever. The cabinet decision followed a study of that particular document.

Some hon. Members: Hear, hear!

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CONSUMER AFFAIRS

REFUSAL OF STORES TO CASH BONUS COUPONS—POSSIBLE FALSE ADVERTISING—GOVERNMENT ACTION

Mr. Arnold Malone (Battle River): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. Is the minister aware that many people, often senior citizens, find it impossible to cash in on bonus coupons which are enclosed in many food products, and does the minister consider this a form of false advertising?

Hon. Bryce Mackasey (Minister of Consumer and Corporate Affairs): Mr. Speaker. I want to thank the hon. gentleman for giving me notice of the question. Several acts, both provincial and federal, cover the whole area of misleading advertising. I think at best this could be described as immoral if not illegal. Obviously, there is no obligation on the retailer to accept the provisions of a coupon in a package. I think the specific law which is most appropriate is in Quebec where a coupon can be exchanged for equivalent cash, and we are presently looking at our own legislation to see if this would be a helpful amendment.

UNEMPLOYMENT INSURANCE

REQUEST FOR CLARIFICATION OF CONTRADICTORY STATEMENTS CONCERNING INVESTIGATION OF FRAUD

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I would like to direct a question to the Minister of Manpower and Immigration as a result of questions asked by the hon. member for Leeds regarding the investigation which was allegedly carried on by the RCMP regarding dummy companies and frauds. The minister is reported to have stated outside the House that the investigation revealed more than an ordinary problem and that he considers this to be a serious situation because of its size. That answer implies that the RCMP was involved. Yet today, according to this afternoon's Ottawa *Journal*, Sergeant Gordon Butt, temporary head of the RCMP's commercial crime section at "A" division said the force was dealing with only one fraud charge involving a minimal amount of money. Actually, they were surprised about the extent of this investigation. Is the minister now in a position to indicate to the House how this discrepancy has come about, and can he clear the air?

● (1450)

Hon. Robert K. Andras (Minister of Manpower and Immigration): Yes, Mr. Speaker, I think the hon. member for Hamilton West might begin by asking a question of the hon. member for Leeds. My comments of yesterday, and particularly one report which I have seen by Canadian Press suggesting that I said this could amount to hundreds of thousands of dollars, were inaccurately portrayed. It could amount to thousands of dollars and that, indeed, is serious. I could not take lightly the possibility of fraud with regard to unemployment insurance or any other matter. I do not think there is anything wrong with my saying it is serious. It is under investigation by the Royal Canadian Mounted Police, and I am told that the investigation was undertaken at the instigation of the Unemployment Insurance Commission, which did a preliminary investigation and decided the police should be called in to conduct the investigation.

As for the scope of the investigation and further details on it, I believe it is not proper for me to reveal what I know about it in the House until the investigation has been completed, and until I have information from the chairman of the commission or an inspector of the Royal Canadian Mounted Police to that effect.

* * *

ROYAL CANADIAN MOUNTED POLICE

ALLEGATION UNEMPLOYMENT INSURANCE COMMISSION NOT CO-OPERATING WITH FORCE IN INVESTIGATION OF FRAUD

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, it has also been alleged that the Unemployment Insurance Commission is not co-operating with the RCMP and not releasing documents in order that the RCMP can go through with its investigation. I ask the Solicitor General, has this matter been brought to his attention and is it true that the Unemployment Insurance Commission is stonewalling the activities of the RCMP with respect to this needed investigation?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the commissioner of the RCMP was with me this morning, appearing before the justice committee, and he said that is a lot of nonsense.

* * *

UNEMPLOYMENT INSURANCE

ALLEGATIONS OF FRAUD—POSSIBILITY THAT LOOPHOLES IN THE ACT NEED CLOSING

Mr. Lincoln M. Alexander (Hamilton West): A supplementary question, Mr. Speaker. As the minister indicated that this is a most important matter and has said that it is more than an ordinary problem, can he say what kind of problem he faces at this time, the size of the problem and whether his investigation to date has revealed a significant loophole in the act which requires closing?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I would think the question of fraud involves more than an ordinary problem. We hear from time to time in this House and outside accusations regarding the misuse and abuse of the act. These involve individuals who may fail to meet their obligations under the act, but these are often exaggerated. But fraud is entirely different. If the hon. member implies that I am stretching my imagination or the facts, and indicating that my attitude to fraud is not serious, then he and I are in complete disagreement.

* * *

EXPORT DEVELOPMENT CORPORATION

POSSIBILITY OF INVOLVEMENT IN ASSISTING NORANDA MINES DEVELOPMENT IN CHILI—GOVERNMENT POSITION

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I wish to direct my question to the Minister of Industry, Trade and Commerce. On April 14 I asked the Secretary of State for External Affairs whether the government, directly or indirectly, through the Export Development Corporation was assisting or proposing to assist Noranda Mines Limited or any of its subsidiaries in developing a copper mine and smelter at Andocollo, Chile. The minister seemed not to know the answer, or did not give a clear answer. The hon. member for Saint-Hyacinthe directed a similar question to the minister's parliamentary secretary yesterday or the day before, I forget which. Is the minister now able to tell the House if the Export Development Corporation is in any way involved in this Noranda project in Chile.

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, I was only advised of the question of the hon. member for Saint-Hyacinthe yesterday, as I arrived back just before the question period, and have not had a chance to look into it. I think the hon. member's question repeats the basic query of yesterday. I have asked for a detailed explanation. I simply had an oral statement given to me as I came into the House and

learned that, to the best of our knowledge, there is no such activity. I shall be pleased to get more specific information and reply to the hon. member later.

* * *

[*Translation*]

IMMIGRATION

POSSIBILITY OF ADMITTING LEBANESE REFUGEES IN CYPRUS INTO CANADA

Mr. Louis Duclos (Montmorency): Mr. Speaker, I have a question for the Minister of Manpower and Immigration.

In view of the fact that Canadian immigration officers accredited with the government of Cyprus are now residing in Tel Aviv, Israel, could the minister tell the House what special steps his department has already taken or intends to take to promote the admission into Canada of the many Lebanese who found refuge in Cyprus and would no doubt appreciate the hospitality of a country with french as one of its official languages? Furthermore, could he say whether his department is in contact with the Quebec Department of Immigration about that potential French-speaking immigration?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I have had a communication with the Hon. Lise Bacon, Quebec Minister of Immigration, about this matter and will be meeting the minister early next week to discuss it further with her.

With regard to measures taken in the tragic situation in Lebanon, we have, to the degree we can and recognizing the difficulty of having facilities operating in Beirut, in those particularly difficult circumstances, expedited the processing of applications from Lebanese, with particular emphasis on those who have relatives in Canada. Relatives of people of Lebanese citizenship who are in Canada now and who are sponsorable or nominatable and meet the criteria, we are proceeding to land in Canada under the order in council authority I have in the circumstances. Lebanese visitors to Canada who do not have relatives here are being permitted to stay beyond their ordinary period of time and not being asked to return to Lebanon until the situation clarifies itself. We are indeed, going further than that, and looking at the possibility of establishing auxiliary facilities in Cyprus, which is about a 20 minute flight away I am told, from Lebanon, in order to meet this emergency situation. Indeed, any Lebanese people wishing to apply to come to Canada, who can get out of the dangerous situation in Lebanon and go to a third country of any kind, can make application and we will expedite the procedure within the general criteria I have mentioned.

WORK PERMITS FOR LEBANESE STUDENTS

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, may I say that I think most of us welcome the special arrangements the minister announced. I wish to ask about another area of concern. It has been brought to my attention that many students from Lebanon who are unable to get help from home will require help. I hope the minister can arrange for them to obtain work permits this summer, so that they can augment their finances.

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I appreciate the opportunity to add to what I said previously. I missed the point the hon. member raised. We are permitting the allocation of work permits, except in the most extraordinary circumstances of which I cannot at the moment give any examples, to students or other Lebanese visitors who are not sponsorable or nominatable but who have stayed in this country. We are not asking them to return to Lebanon. If they can find work, we will give them visas.

* * *

FISHERIES

AGREEMENT BETWEEN SOVIET UNION AND CANADA CONCERNING FISHING RIGHTS IN 200-MILE ZONE—REQUEST FOR DETAILS

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, in the absence of the Secretary of State for External Affairs I will direct my question to the Minister of the Environment and Minister of Fisheries. I gave him notice of the question which I feel is of great importance to the people of Atlantic Canada. Have Canada and the Soviet Union signed an agreement covering fishing rights over a 200-mile limit; and if so, what are the particular terms of reference? Finally, since many species are now fished below the sustainable yield level, what species will be classed as surplus to Canada's needs, with permission being granted to the Soviets to catch those fish under special licences?

[*Translation*]

Hon. Jean Marchand (Minister of the Environment): Mr. Speaker, I know the agreement was signed between the USSR and Canada. I also know that it was agreed that Canada would determine the allocation of surplus fish stocks in Canada. Finally, I know there has been a decrease in the population of ground fish but it is obvious that we will then take into account the situation of fisheries within the 200 miles, if ever they should be accepted.

ROUTINE PROCEEDINGS

[*English*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF WORLD CLASS AND OLYMPIC ATHLETES

Mr. Speaker: I know hon. members will want to join me in calling attention to the presence in our gallery of a distinguished and extraordinary group of Canadians, all of whom have been honoured by being invited to Ottawa today to a reception with the Prime Minister (Mr. Trudeau). Their achievement is that they are holders of medals in world class or Olympic competition. Those Canadians who qualified and are in the gallery at present include, if I am not mistaken, Kathy Kreiner, Toller Cran-

ston, Susan Nattrass, John Primrose, Ken Bate, Gaétan Boucher, Sylvia Burka, Cathy Priestner, Nancy Garapick, Anne Jardin, Cindy Nicholas, Sylvie Fortier, Carol Stuart, Laura Wilkin and Patricia Messner.

Some hon. Members: Hear, hear!

● (1500)

Mr. Lawrence: Mr. Speaker, I rise on a point of order. I will try to make my point of order without in any way attempting to deprecate the hardworking parliamentary assistants to the ministers, and especially the abilities of the lady member in question.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Lawrence: However, when a member in this House asks a question that can only be within the knowledge of a member of the ministry, directly relating to a cabinet affair only, and the member who is asking the question makes that apparent at the very beginning, surely it makes a sham and a façade of the question period if we cannot receive an answer from a responsible minister of the Crown. In attempting to do so, Mr. Speaker, you, in your discretion, cut us off without giving permission to ask a supplementary question, which would have made that readily apparent.

Certainly, a parliamentary assistant does not, or ought not—if they do, they are in breach of the oath of secrecy—to have information that can be available only in relation to a cabinet decision or what led up to a cabinet decision.

My point of order is this. When a member asking a question makes it quite apparent that it has to be answered by a member of the ministry, and I am not talking about a routine question that perhaps a parliamentary assistant can answer, then surely the privilege of the member of the ministry is to either give an answer or say nothing. However, we should not be sloughed off by a parliamentary assistant.

Some hon. Members: Hear, hear!

Mr. Speaker: The position of the Chair is quite clear on this subject. This is not the first time it has been raised. As far as the Chair is concerned, perhaps not as far as other members are concerned, one of the early and more memorable decisions, personally, was to refuse to permit parliamentary secretaries the opportunity to put questions in the question period. I have taken that decision because I hold that parliamentary secretaries who ought to be, or seek to be clothed with the responsibility of answering questions on behalf of their ministers, ought not to be able to have it both ways, both to ask and to answer questions. If I refuse them the right to ask questions because they have the obligation or the right to answer them, surely I am being consistent, and I would not now be able to say that a parliamentary secretary ought not to have the capacity to answer questions.

Some hon. Members: Hear, hear!

Presence in Gallery

[*Translation*]

Mr. Corbin: Mr. Speaker, I rise on a question of privilege, as I gave you notice of it in writing yesterday. It arises from the publication in the *Globe and Mail* of May 19, 1976 of a report of the meeting of the House Committee on Miscellaneous Estimates held on the morning of May 18. I had to postpone this matter until today, Mr. Speaker, because I had difficulty obtaining the report.

In my opinion, the matter I am raising closely affects the privileges of all members of the House. I would like to quote a first excerpt from the article emanating from the Canadian Press and published in the *Globe and Mail* to put the question in its proper perspective. The Committee on Miscellaneous Estimates was considering Bill C-81, an Act to amend the Senate and House of Commons Act and the Supplementary Retirement Benefits Act with respect to the escalation of certain payments thereunder. The main witness was the President of the Treasury Board, the hon. Jean Chrétien. The article in question is entitled:

[*English*]

NDP scores cheap political points

Despite grumbles, MPs back pay freeze plan

Je cite:

Mr. Chrétien said the public has little idea of the amount of work an MP must do. Many work from early morning until after the Commons closes at 10.30 p.m. he said.

The Commons sits from 2 p.m., three days a week. There are rarely more than a handful of MPs in the House during evening sittings.

In my opinion, Mr. Speaker, this last paragraph is the basis for a prima facie case of privilege and concerns this institution as a whole.

[*Translation*]

As a matter of fact, Mr. Speaker, I think that the Canadian Press reporter who wrote this article deliberately and maliciously tried to deceive the Canadian public by clearly giving the impression, first that the House of Commons sits only three days a week and, second, that only a handful of hon. members take part in the numerous activities of this institution. This kind of article from a press agency deemed to be responsible is an attack on our institution. The article is an attack on the intelligence of Canadians who ask for and require objective and complete information.

I could speak several minutes on the many activities of this House, of the committees, on constituency and party work, etc. In fact, all hon. members are familiar with these facts. This makes the kind of journalism mentioned above all the more odious and offensive. The lack of objectivity showed by some members of the press gallery—not by all, I must admit—is so obvious and I think that the few reporters who maliciously cast a slur on the integrity of the House of Commons and on hon. members' participation in the business of this institution should be required to explain themselves before the Committee on Privileges and Elections. One more minute, Mr. Speaker, to raise an aspect of the question which concerns me personally. In the same article of the *Globe and Mail*, one can read:

[*English*]

Eymard Corbin (Madawaska-Victoria) said he would support the bill—

Presence in Gallery

Most of his constituents support an increase in allowance for MPs he said. Although he has received "two letters from ding-dongs" against an increase, the majority support better pay benefits, he said.

[*Translation*]

Mr. Speaker, that is another example of malicious or irresponsible reporting. Here is what I actually said, and I quote from the text given to me by the committee's clerk:

As far as I am concerned, I sold to my constituents the principle that we had established last year. The vast majority supported what the Parliament of Canada did. They understand the importance of a good renumeration for MPs. Except for two naive types who wrote me anonymous letters, I am pleased to report that the vast majority of my voters supported our decision.

On the one hand, you have my words: I mentioned that two naive types wrote me anonymous letters, on the other hand, you have an article in the *Globe and Mail* which translates my words by "Two letters from ding-dongs".

Mr. Speaker, there is a difference which should not be overlooked. The newspaperman failed to mention that the letters were unsigned, which changes the whole matter entirely, and does not mean, incidently, that I did not receive any signed correspondence. Furthermore I wish to emphasize that "naive types" cannot be translated by "ding-dongs".

Therefore my statement was seriously if not maliciously distorted. The reporter and the press agency which show such a blatant disregard for professional ethics and display such shamelessness towards the public that they consider gullible, ought to be referred to the Committee on Privileges and Elections to support their stand.

[*English*]

It is time this House dealt with the accredited fiction writers in the press gallery.

Some hon. Members: Hear, hear!

Mr. Corbin: To use the words of an eminent member of the press gallery, Richard Gwynn, "The press needs critics, it is getting just too smug."

[*Translation*]

I move, seconded by the hon. member for Northumberland-Miramichi (Mr. Dionne):

That this matter be referred to the Committee on Privileges and Elections for consideration.

● (1510)

[*English*]

Mr. Speaker: Order, please. The question raised by the hon. member for Victoria-Madawaska is a very important one, and if I were to hold that a prima facie case existed and that the matter ought to be referred to the Standing Committee on Privileges and Elections it would obviously be a very popular decision. But the difficulty is that, in my opinion, it would not be consistent with the precedents which have guided us in this House for a very long time and which were strengthened only recently by the extensive work of the committee on privileges of the British House with particular reference to the rights of journalists where a contest is exhibited between those who write about parliament and those who are elected to it. In my opinion, wherever possible the decision ought to come down in favour of the freedom of those who write about parliament to say almost at will what they wish about it.

Some hon. Members: Hear, hear!

Mr. Speaker: There has really never been an occasion on which an hon. member has been deprived of the opportunity, when there is a grievance of this sort, to air that grievance. Whether or not it constitutes strictly a question of privilege, there has never been a time when the hon. member concerned did not have the opportunity to raise the question, to air his grievance and to make it well known, as the hon. member for Victoria-Madawaska has done today. Other members who might have wished to take part in the discussion could have done so.

However, it will remain my view that a fundamental right is involved here equal, at least, if not greater, than the special privileges which surround the rights of members, who really ought to claim privilege only if their opportunity to operate as members of the House of Commons is actually interfered with. Certainly, the right to comment and express to the public what takes place here is an aspect of the freedom of the press which is one of the fundamental rights of our society and one which ought not to be interfered with, in my view, unless it is in fact in contempt of this institution.

The expressions of opinion put forward by the author in this case have been commented upon forcefully and, I would say, most ably by the hon. member for Madawaska-Victoria whose statement met with the general approval of the members of the House. He put his case extremely well and I do not think any further action by the House is needed to put it in its proper context. He has been congratulated by other hon. members and, in my opinion, deservedly. But I feel that in the interest of the public who, after all, have a very large stake in what takes place here, and in the interests of the freedom of the press, the matter ought not to go any further.

Some hon. Members: Hear, hear!

Mr. Epp: I rise on a point of order, Mr. Speaker. Today, during the question period, Your Honour recognized me for the purpose of asking a question. I had mentioned to the Minister of Manpower and Immigration that I would be asking a question on the Steve Badger case. I thought this was especially appropriate in view of the fact that there were representatives of Canada's Olympics team in the gallery. Noting that the minister had left the House for a few minutes, I took the usual course of action, having informed him I would be asking the question before, and asked that my question be deferred until later in the question period. I know other members of the House have taken a similar course of action, and while Your Honour might say, I know, that other members were standing at three o'clock, I wonder whether, in view of the circumstances which prevailed, I might be allowed to ask my question.

Mr. Speaker: The hon. member for Provencher does, indeed, have a point well taken and a rather special case. There was great pressure during the question period today and, regrettably, only a very small number of questioners were able to be recognized. I did, in fact, recognize the hon.

member and he indicated he hoped to reserve his question until later. However, there was a lot of pressure as we got close to three o'clock. I do not know whether the House would want to give its consent to the hon. member putting his question now.

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

[*English*]

IMMIGRATION

REQUEST FOR EARLY DECISION ON APPLICATION OF STEVEN BADGER FOR LANDED-IMMIGRANT STATUS

Mr. Jake Epp (Provencher): Thank you, Mr. Speaker. I thank hon. members for their indulgence. I should like to remind the Minister of Manpower and Immigration that in a recent ruling by the department concerning Mr. Steve Badger, a student at the University of Manitoba, Mr. Badger was denied landed-immigrant status. As the minister knows, Steve Badger is a world class swimmer who wants to swim for Canada in the 1976 Olympics. In order to achieve his dream, he applied to the immigration department two years ago for landed-immigrant status. In view of the fact that in the last two years the minister has averaged over 18,000 ministerial orders in favour of people who did not qualify for landed-immigrant status, would he give an assurance that if Steve Badger made an application at a Canadian immigration office outside Canada, it would be accepted? In view of the fact that he has been offered many jobs by various swimming organizations, could not a speedy decision be made on his behalf in order that he might swim for Canada, as is the desire of many Canadians?

Some hon. Members: Hear, hear!

Hon. Robert K. Andras (Minister of Manpower and Immigration): Unfortunately, there are a few misunderstandings about this situation. Steven Badger is a renowned swimmer. He is a student from Australia taking his studies in Canada. He was admitted as a visitor to Canada on a student visa. He did indeed apply—I am not aware it was two years ago—in September of 1975 from San Francisco, and because he is a student and does not have the necessary certification and other qualifications he was not granted entry.

The real point is this. It is not a question of Mr. Badger being a landed immigrant. It is the ruling of the Olympic committee, who have so advised me, that he must be a citizen of Canada, and to grant him landed-immigrant status, which might be possible, although questionable under the circumstances, does not satisfy that condition. The Citizenship Act, which is administered by my colleague, the Secretary of State, still requires five years of residence in Canada as a condition of becoming a citizen. Even if Bill C-20 receives royal assent within a short time, it will take three years.

That is the first confusion. The second is this. I understand from press reports only that there has been a suggestion that the Olympic committee itself, within its own jurisdiction, has found a possible ruling within its own regulations which women permit what they call a Commonwealth switch. Mr. Badger is, in fact, a citizen of Australia, a member of the Commonwealth, and possibly he could swim for Canada under that banner. But that aspect has nothing whatever to do with immigration or, indeed, citizenship. It is really a matter in the hands of the international Olympic committee. I do not even want to dwell on the propriety of making a visitor an instant landed-immigrant or Canadian citizen for the purpose of winning a gold medal for Canada. That is another matter. I do not even have to address myself to that question because the other situation prevails as I have described.

ROUTINE PROCEEDINGS

[*English*]

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Hnatyshyn: Mr. Speaker, I would like to ask the acting House leader whether he would take the House into his confidence with respect to the business for the balance of the week? Possibly, in view of the fact that the budget is coming down next Tuesday, he might also indicate what we might be doing in the House next week.

Mr. Blais: Mr. Speaker, I would be pleased to do so. Today, of course, is an opposition day and we shall be dealing with vote No. 1—agriculture. Tomorrow will also be an opposition day and the nature of the subject to be discussed will be made later on this afternoon in the usual way; we shall then be taken into the confidence of the opposition.

With reference to next week, Monday, of course, is a holiday, and on Tuesday we shall be dealing with Bill C-84 until the budget declaration at eight o'clock. On Wednesday we shall revert to Bill C-84. Thursday is the first day which has been set aside as a day to debate the budget. We shall proceed with the budget debate on Wednesday and Thursday, June 2 and 3, with the first vote on the budget at 5.45 p.m. on June 2. We shall proceed again with the budget debate on Tuesday, Wednesday and Thursday of the following week, June 8, 9 and 10, with votes at 9.45 on June 8 and at 9.45 on June 10.

● (1520)

I might indicate to the House that it is the wish of the government to proceed with Bill C-84 with all due dispatch, that extra time could be made available in the hope that perhaps the opposition would agree in the near future to an extension of the ordinary hours so we can dispose of second reading, refer the bill to committee and then report back, so we might commence our summer recess at a convenient time.

Royal Assent

Mr. Leggatt: Mr. Speaker, I rise on a point of order arising from a question asked earlier of the Minister of Supply and Services. I might say that I do appreciate his waiting in the House for my point of order; I know he has a commitment.

I did ask the minister whether he would be willing to table, not the unsigned contract with the Lockheed corporation but the renewal agreement for the option that extended the deal for a month. Obviously, this was a document signed both by the government and the Lockheed corporation. In the course of my question I indicated that the minister had agreed to do so by a nod of the head, but some of my colleagues think that I might have misinterpreted the minister. Therefore, would the minister clarify whether he was nodding his head up and down to that particular question, or was it sideways?

Mr. Goyer: Mr. Speaker, I will use word of mouth, which will make the matter clear. Effectively, there is a document called a letter of agreement, dated March 31, 1976, which constitutes authorization of payment. I will be ready to table this document and the articles of a negotiated draft contract referred to in the letter of agreement when the translation is completed.

* * *

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed Bill C-89, an act to amend the Anti-Inflation Act, without any amendment.

* * *

[*Translation*]

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that the following communication has been received:

Government House

Ottawa, May 20, 1976

Sir:

I have the honour to inform you that the Hon. Louis-Philippe de Grandpré, C.C., Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 20th of May, at 5.45 p.m. for the purpose of giving Royal Assent to a bill.

I have the honour to be, Sir,
Your obedient servant,
Edmond Joly de Lotbinière
Administrative Secretary
to the Governor General.

[*English*]

Mr. Lalonde: Mr. Speaker, I understood that we were to introduce and give first reading to the bills to amend the Aeronautics Act and the Proprietary or Patent Medicine Act.

[Mr. Blais.]

AERONAUTICS ACT

MEASURE RESPECTING SECURITY PROGRAM TO BE CARRIED OUT BY FOREIGN AIR CARRIERS

Hon. Otto E. Lang (Minister of Transport) moved from leave to introduce Bill S-34 (from the Senate) to amend the Aeronautics Act.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

[*Translation*]

PROPRIETARY OR PATENT MEDICINE ACT, AND TRADE MARKS ACT

MEASURE TO EXTEND LICENCE DATE

Hon. Marc Lalonde (Minister of National Health and Welfare) moved for leave to introduce Bill S-35 (from the Senate) to amend an Act to repeal the Proprietary or Patent Medicine Act and to amend the Trade Marks Act.

Motion agreed to and bill read the first time.

* * *

[*English*]

ADMINISTRATION OF JUSTICE

REFERENCE OF DOCUMENT TO STANDING JOINT COMMITTEE

On the order: Government notices of motions.

May 18, 1976—The President of the Privy Council:

That the document entitled "Proposals to correct certain anomalies, inconsistencies, archaisms, errors and other matters of a non-controversial and uncomplicated nature in the Revised Statutes of Canada, 1970, and other acts subsequent to 1970", tabled May 18, 1976, be referred to the Standing Joint Committee on Regulations and other Statutory Instruments.

Mr. Speaker: Pursuant to section (2) of Standing Order 21, this notice of motion is transferred to and ordered for consideration under government orders at the next sitting of the House.

VOTE IN CONNECTION WITH BILL ON CAPITAL PUNISHMENT

Hon. Otto E. Lang (Minister of Transport) for the President of the Privy Council moved:

That, should a recorded division be requested on the motion for second reading and reference to the Standing Committee on Justice and Legal Affairs of Bill C-84, an act to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, the said division shall be deferred to a time to be announced by a minister of the Crown, after reaching agreement with representatives of each party, but the said division shall not be deferred for more than one week.

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

Motion agreed to.

SPECIAL COMMITTEE ON RIGHTS AND IMMUNITIES

COMPOSITION OF COMMITTEE

Hon. Otto E. Lang (Minister of Transport) for the President of the Privy Council moved:

That the members to act with Mr. Speaker on the Special Committee on Rights and Immunities of members be Messrs. Baldwin, Beaudoin, Fairweather, Gray, Knowles (Winnipeg North Centre), Prud'homme and Reid.

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

Motion agreed to.

Mr. Speaker: Before proceeding to questions on the order paper, when introducing bills earlier, two bills of ministers were given first reading but I do not know whether the question was asked, "When shall the said bill be read the second time?" Perhaps in order to regularize the proceedings we might return to introduction of bills and take care of that.

* * *

AERONAUTICS ACT

MEASURE RESPECTING SECURITY PROGRAM TO BE CARRIED OUT BY FOREIGN AIR CARRIERS

Mr. Speaker: The House having given its assent to the introduction of this bill by the Minister of Transport (Mr. Lang), the motion for first reading of the bill was adopted, but the question, "When shall the said bill be read a second time?" was not put. Next sitting of the House?

Some hon. Members: Agreed.

* * *

[*Translation*]

PROPRIETARY OR PATENT MEDICINE ACT, AND TRADE MARKS ACT

MEASURE TO EXTEND LICENCE DATE

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare) moved that Bill S-35 (from the Senate), to amend an Act to repeal the Proprietary or Patent Medicine Act and to amend the Trade Marks Act, be read the second time.

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

Some hon. Members: Later.

Mr. Speaker: Next sitting of the House?

Some hon. Members: Agreed.

[*English*]

QUESTIONS ON THE ORDER PAPER

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Cossitt: Mr. Speaker, I rise on a point of order regarding two unanswered questions on the order paper. The first is No. 3,359 which asks for details of any government business dealings with William Teron Associates, William Teron Limited, Mr. Teron personally or any other company with which he has had any connection, and what public funds are involved. I point out that this question first of all disappeared from the order paper entirely. This disappearance was, so-called, justified by an inaccurate reference to Beauchesne. I discussed the matter with the Parliamentary Secretary to the President of the Privy Council and subsequently also with the President of the Privy Council, and the question was reinstated on the order paper. Six months have gone by and it has not been answered, and I think I have a very valid reason for rising and asking why not.

The second question I should like to refer to, No. 3,520, asks a very simple question. It asks for the name of the person from the Prime Minister's office who gave instructions that the Canadian television network would not be allowed to film furniture in cabinet ministers' offices even though certain cabinet ministers had agreed to allow this to be done. I think it is a valid question because the Canadian people have the right to know what they are paying for.

● (1530)

An hon. Member: It's a stupid question.

Some hon. Members: Oh, oh!

Mr. Cossitt: You may think it is stupid, but I can tell you that the Canadian people do not think it is.

An hon. Member: You just go back to sleep.

Mr. Cossitt: I would conclude by saying this: if it is a matter of giving us the name of who did this, it should not take six months; It could be answered in 24 hours. Having regard to the first question I raised about William Teron, I do not like to think or suggest this, but I am beginning to wonder whether the reason it is not answered is Mr. Teron's well-known connection with the Prime Minister and the Prime Minister's office.

Business of Supply

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTED DAY S.O. 58—AGRICULTURE

House in committee of the whole for consideration and disposal of an item of the estimates for the year ending March 31, 1977—Mr. Laniel in the chair.

[*English*]

Resolved, that a sum not exceeding $35,451,000 be granted to Her Majesty for the fiscal year ending March 31, 1977 (less the amount voted in interim supply) as follows:

Vote 1—Administration—Program expenditures and contributions, $35,451,000.

The Chairman: Order, please. Before calling upon hon. members perhaps I should at this time bring to the attention of the committee the problem we have had on previous occasions. Members will be aware that we have experienced some difficulty on similar occasions when the committee of the whole has been examining the estimates during consideration of supply, specifically as to the length of speeches and the time allocation for the asking of questions.

After analysing past practices and taking into account the changes in the rules, I have concluded that in the past, when considering supply, time was not limited and members could not really complain about the allotment of time on an individual basis, but that this practice should not apply to a one-day consideration of supply, as is the case today. In view of this, I feel that perhaps this is a good time to consider the matter in the hope of preventing any difficulty arising during the consideration of the estimates today. I feel that the committee should either come to some kind of unanimous agreement on the agreed procedure in respect of time allocation, or accept the proposal the Chair is prepared to put forward. The suggestion is that speeches be limited to 20 minutes and that we alternate from the opposition side to the government side. When a member directs questions to the minister, the time required for the answer should be included in the allotted time unless it appears to the Chair that the answer is unduly lengthy.

In addition, I would suggest that a second intervention should not be accepted before the first round of speeches or questions, and that hon. members be recognized when they seek the floor by standing in the House or by giving some other indication of a desire to participate in the debate, perhaps in the form of some notice to the Chair. I am ready to receive an indication of the feelings or the points of view of hon. members in respect of this matter.

Mr. Baker (Grenville-Carleton): Mr. Chairman, I think the procedure you outlined is perhaps as good as any, using the 20-minute limit which would include questions and answers, if I interpreted you correctly, as I hope I have, with members being recognized on a rotation basis around the chamber. I think we should try that procedure. I hope it will work and that it will not lead to a breakdown such as has occurred in recent memory and experience. Speaking for the official opposition, I think, in any event, your suggestion is worth a try.

[Mr. Cossitt.]

Mr. Blais: Mr. Chairman, perhaps you have indicated what your intentions are in relation to the question I wish to ask, but I did not hear as I was not listening. What I am concerned about is whether there is to be a regular apportionment of time as between members of the government side and the opposition side. I should like to know what sort of division Your Honour would be ready to make in that regard, so there is some understanding at this time.

Mr. Baker (Grenville-Carleton): Mr. Chairman, the point raised by the hon. member is a valid one. I would not suggest that because this is an opposition day, the opposition should be allowed to ask all the questions. I would not suggest that, sir, but I would think it not unfair if you apply your mind in your usual judicial manner to ensure that the fact that what is an opposition day under our rules is not defeated in the allocation of time. It is not possible for you to allocate time in a mathematical way, but I am sure you will bear in mind that this is an opposition motion. If some difficulty develops, I am sure there will be a protest; but I hope that will not be the case.

Mr. Peters: Mr. Chairman, I think this is a matter that at some time in the future should be referred back to the committee on procedure and organization. In the past we have run into considerable difficulty that I do not think was anticipated. It has been suggested many times in the past that when an opposition day is used to discuss the estimates, the proceedings should be considered more in terms of an opposition day than in terms of the normal consideration of the estimates.

It is my understanding, from the way the motion is set out, that there is to be a vote on the item at the end of our consideration. The item of the estimates was not originally spelled out, but I presume the vote will be on Item No. 1. This raises an additional problem. These estimates are still before the committee on Agriculture. They have not been withdrawn from that committee and I think it is, therefore, inappropriate to call for a vote on an item which really is not back in the House.

The procedure we should follow is the procedure we follow on an opposition day, with the 20-minute rule being applied. This is not the practice during the usual consideration of estimates in the House. In that case when we are considering an item hon. members' remarks must be directed to that one item, whether it is administration or something else, and all the questioning must be in respect of that item until consideration has been completed, and then we move on to another item. If we were to bring this item back to the House, then we would not be following that procedure. These estimates, as such, may be the basis for discussion on an opposition day, but the estimates themselves are not back in the House. I disagree that we are in a position to handle them in the way indicated in our Standing Orders by the motion before us today. I think Your Honour would have to come to the conclusion that we must handle them as a subject for an opposition day, and that in effect the estimates are before us only in that sense and are not here in the sense that a vote can be taken under this section, because they are still in the committee. I think that is the way it should be.

● (1540)

The way this has been set down on the order paper, as an opposition day, I think will lead to some confusion. Some of that confusion, Mr. Chairman, you have already indicated. I believe the matter should be referred for consideration at a future date and that you, Mr. Chairman, could refer it to the committee for further study and consideration of a more appropriate way to bring the estimates before the House through the procedure of an opposition day without, in fact, having the actual estimates recommitted to the House from the committee, and a vote taken.

Other members may disagree and would like to see them handled in this way, but if we do so we really would not be following the procedure of taking the estimates out of the committee and putting them back in the House. Therefore, I think the suggestion that we vote on them tonight is totally improper.

The Chairman: Order, please. Before I recognize the parliamentary secretary, perhaps I should clarify a couple of points raised by the hon. member for Timiskaming. In his remarks, the hon. member referred to the fact that the way the notice appears on the order paper, the vote itself is not indicated. Perhaps the hon. member was not paying attention when I put the question to the committee. I went further than the notice which appears on the order paper and indicated that vote 1 was an administration vote for program expenditures and contributions in the amount of $35,451,000. So we have the complete vote. This falls, properly, under Standing Order 58. It states that opposition days can be used for the consideration of any items in the main or supplementary estimates in committee of the whole. This means that the opposition, by giving notice of its desire to bring that item before the committee, is momentarily withdrawing that item from the committee to which it had been referred and is bringing it to the House for this day. The committee will have to make a decision at 9.45 tonight on that item and the committee will report back to the House afterwards.

Mr. Blais: Mr. Chairman, I wanted to make the points you have made. The hon. member for Timiskaming is concerned about the range of the debate. He need not be concerned about that, because it is the practice to have the questioning very wide-ranging. My concern, basically, is about what I raised initially. While I feel the opposition may have an argument relating to having some slight preference in respect of the number of speakers, I think if they were given the whole debate it might be a very dull day. I think there ought to be some allowance in view of the fact that Your Honour seems to be going to the usual procedure in the standing committee of allowing all parties to make contributions and to question the minister.

In respect of allocation of time, while I do not think there should be military precision, I am sure everyone is interested in fairness, justice and equity. I understand that the minister may wish to make an opening statement which, again, would be in accord with the usual practice followed in our standing committees with regard to estimates or other matters. Then questions could more effectively be put to the minister after the questioners have heard his statement.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I think all members want to get started on the consideration of this vote, but may I say to those who are afraid that by dealing with this matter today they will not have the right to continue in the committee, that they are protected in that regard by Standing Order 58(15A), which states that even though an item has been dealt with here in this House, consideration of that subject matter is still before the standing committee.

The Chairman: Order, please. Perhaps I should reassure hon. members that as a general rule I interpret that I have the acceptance of the committee that the Chair should have sufficient leeway to use its best judgment. Maybe before I satisfy myself on that point I should clarify one particular point which has presented some difficulty in the past. The parliamentary secretary raised the point concerning the possibility of the minister making an opening statement. I think that has already been done in the committee. If we were to follow the past practice on opposition days, the minister might feel that it would be better if he heard at least one speaker from each party before making his intervention, so that he would be in a position to present further argument rather than repeating the statement he may have made before the committee.

The second point I wish to make is that if an hon. member speaks for 20 minutes and the minister, in replying to the questions raised in that speech, should exceed 20 minutes, that 20-minute time allocation would be taken away from the government members. While the minister may speak more than once and may have the facility to intervene more often than other members, if he answers questions for more than the 20-minute time limit, whether he is answering a direct question from a member of the government or a member of the opposition, that time will be taken from that private member. If the minister, after his speech, wishes to get up and answer each speech, then there would not be any time left for government members to intervene. So I feel the committee should, after a first round from the opposition, go to government members. I think that would be fair to all hon. members on both sides. Is that agreed?

Some hon. Members: Agreed.

Mr. Daudlin: Mr. Chairman, I have one concern I should like to express. As the chairman of the standing committee, I must advise you, Mr. Chairman, that we had reached a certain agreement with regard to that committee and the conduct in the committee concerning questioning. In fact, because of the general administrative vote that was put down, there was to be an opportunity in that committee for substantial leeway with regard to the examination of the minister before, in fact, the item was returned to the House by way of report next week. I am seriously concerned that in the event there were a vote this evening in respect of vote No. 1, this general nature type of questioning to which all members of the committee had agreed might not be able to occur next week.

● (1550)

I should like to have some general understanding that in fact that would not be precluded in committee when the matters are returned.

The Chairman: Order, please. My interpretation is that the estimates are temporarily withdrawn from the committee and do not in any way reflect on the rights of any member of the committee. When one of the estimates of the Department of Agriculture is brought in front of the House, it does not preclude or restrict any right of hon. members in the committee.

Mr. Wise: Mr. Chairman, as usual, it is not unusual to see government members opposite more interested in arguing procedural matters than in focusing their attention on the Department of Agriculture.

Some hon. Members: Oh, oh!

Mr. Wise: Mr. Chairman, the decision of my party to call back the estimates of the Department of Agriculture for further examination and debate was taken for a number of important and very legitimate reasons. It will demonstrate and reinforce our request for a greater opportunity to question departmental estimates than is now possible under our present parliamentary rules and procedures. It will demonstrate, if not to hon. members opposite, then to the nation, at large and to the agricultural community in particular, that we in this party are prepared to advance the importance of agriculture. We are anxious to remove agriculture from the wings and shadows where it now receives only the attention of lip service, perhaps the occasional bill, and just maybe a Friday afternoon in this chamber. Today's action will demonstrate the real concern, from this side of the House at least, that my colleagues and I possess for assurance that moneys appropriated by this department, and indeed others, are fully utilized for purposes producing maximum benefits.

I might suggest at this point that in this respect, generally speaking, this has not been a major problem in the Department of Agriculture. What we do question, however, is whether agriculture has been appropriated its just entitlement in relation to other expenditures of this government, and in this regard we are inclined to think seriously that it has not. One recent and prime example is the government's new dairy policy. Reductions and cutbacks resulted in every province, some to the extent of 20 per cent. Lower incomes and the creation of severe financial troubles for all dairy producers, and the probable collapse of some new and young producers, appear to be the ultimate result of this new policy.

In view of the recent frustration and dissatisfaction among Quebec producers, I think my friend from that province will agree that if funds had not been reduced, or could have been reduced on a more gradual basis, or if an effort could have been made to match supply with domestic requirements over a longer period of time, fewer hardships would have occurred. Personally speaking, I would not be at all surprised if a shortfall in product occurs toward the latter part of this calendar or dairy year—all of this while consumer prices continue to be high.

I want at this point in the debate to draw the attention of my colleagues to an article which appeared in the Ottawa *Journal* of Saturday, May 8, 1976. The headline reads: "Government Pins Survival Hope on Food Policy", and the first sentence reads as follows:

The Trudeau government is busily trying to save itself from drowning in increasingly stormy political waters.

The article goes on to mention that heavy emphasis will be placed on reducing food prices. Mr. Chairman, whenever food prices are reduced for various reasons, experience has shown that primary producers have absorbed the greatest percentage of those reductions. It is indicated that the key department in the quiet development of a cohesive food policy is not the Department of Agriculture but, rather, the Department of Consumer and Corporate Affairs. The reasons, believe it or not, are said to be jurisdiction and, of all things, personality. If these reports are correct, and if this government needs a food policy, then I submit its proper place of origin and development is within the Department of Agriculture, with an input, naturally, from other concerned departments. The present and future livelihood of producers is totally dependent on a fair and equitable policy and their advice and counsel on any such venture is imperative. When I hear that policy papers are now in preparation for cabinet consideration, and in light of the government's past record of confrontation rather than open discussion and co-operation, I fear for the future of the agricultural industry.

It is unfortunate that because of the lack of action in certain areas, the cow-calf and dairy people for example, the lack of proper border protection for vegetable growers in the Fraser Valley, to name another and seemingly deliberate action to create division between producers and consumers, feelings are hardened and the confidence and understanding between these two groups is eroded.

The ongoing and highly publicized blow-by-blow battle between the Minister of Agriculture and the former chairperson of the Food Prices Review Board has instilled anger and, in many cases, distrust between producers and consumers. This feud personality conflict and running feud has served no useful purpose whatsoever. On the contrary, it has dismantled to a large extent the efforts of many service clubs in the country who, by a continuing series of special events, strive to bring rural and urban people together.

I continue to be completely amazed and utterly baffled by some people's reluctance to place problems in their proper perspective. When the dairy policy was announced, displeasure and objections flowed from both producers and consumers. Let me take a minute to compare briefly just how both groups are affected by this policy. The average producer could lose 15 per cent of his income to begin with. In addition, he will receive nearly 25 cents less for every 100 pounds of milk he produces. With a daily production of 1,000 pounds, a dairy loss of $2.50 results, or a total loss of approximately $900 for the year, not even taking into account the percentage of reduction in milk subsidy quota.

At the same time, butter has increased by approximately 5 cents a pound. With the annual per capita consumption running at 12 pounds, this means an increase of 60 cents for the entire 12-month period to purchase the same amount of the product. What we are left with is $900 less for the producer, compared to 60 cents more for the consumer—and bear in mind that dairy producers themselves purchase higher volumes of butter than do average consumers.

It is of vital interest, in the long-term interest of all Canadians, that every possible effort be made to bring together a greater understanding and fuller appreciation of our urban and rural elements of society. On the surface, these two groups appear to work separately and apart from one another, yet in fact nothing could be further from the truth. Each is completely dependent upon the other, tied together by the common bond of necessity. This vital relationship is a prime example of the old adage that "no man is an island unto himself."

If you will allow me, Mr. Chairman, I would like to shift the emphasis of debate to the income and capital gains tax structure which, because of its many inequities, places an undue hardship on many of our agricultural producers. It is my intention to expand on a couple of the more outstanding examples of inequity at this time. I would like to join the Canadian Federation of Agriculture, the Canadian Cattlemen's Association, the Joint Dairy Breeders Association, and the Ontario Milk Marketing Board, to name but a few interested and concerned organizations in supporting the adoption of the principle of replacement at full value of animals ordered to be slaughtered due to contagious diseases. Furthermore, I believe it is now necessary to seek changes in the taxation treatment of the compensation. Entire herds of cattle may be lost on such occasions. Already, in the past year, cattlemen have had to suffer through outbreaks of both brucellosis, in eastern Ontario particularly, and blue tongue disease in B.C., perhaps spreading eastward. The present system, whereby compensation received in a given year is fully taxable in that year, is clearly inadequate and unacceptable to those involved. I suggest that where compensation is paid there should be no taxation on the proceeds, at least until such time as the quarantine has been lifted and the producer has had a reasonable chance to reconstitute his operation with a clean bill of health or has had the opportunity to restock his herd.

● (1600)

What I am saying is that there should be provision for the livestock operator to maintain intact the receipts from the forced disposal until such time as he has had an adequate opportunity to re-establish his livestock or cattle operation. In such situations, the immediate cash flow problem caused by this catastrophe is of vital importance and I think it is time that this fact received the support of the Minister of Agriculture and the recognition of the Minister of Finance and, hopefully, that recognition will become evident next Tuesday, May 25.

In the past, the government has taken the position that by using a year of low or negative income to balance more favourable years by income averaging, the producer is not subject to undue hardship or financial loss. I suggest, however, that the present averaging provision is only of secondary importance. It must be recognized that the problem of forced slaughter has taken on new dimensions in the past year as the numbers of these distasteful occurences have increased. Cattlemen are worried at the prospect of losing all or part of their valuable herds, and they are concerned and disappointed that the income tax provisions regarding compensation discriminates against them.

The government has always pointed to the relatively low incidence of total herd depopulation in Canada as justification for rejecting previous representations for a better taxation deal on compensation. During the fiscal year 1974-75, 105 herds were depopulated. During the following fiscal year, 1975-76, an additional 120 herds were ordered depopulated. The rate of forced depopulation is expected to continue its rise during the next few years, and over and above that the extent of blue tongue infection creates another real danger.

What is also on the increase is the total number of cattle which are subject to forced slaughter. The loss of any significant number of cattle can be just as demoralizing and equally as enduring, financially, as the loss of a complete herd. As of February 5, 1976, figures indicate that some 864 herds of cattle were under quarantine in Canada, and this confirms that at least one, and possibly several animals in each herd, was ordered slaughtered. In the ten-month period ending January 31, 1976, a total of 16,332 cattle were led to forced slaughter. Some would have us believe that this is an insignificant problem. Indeed, the magnitude of the difficulty need not be the guiding factor in assessing the need for a change in the provision for taxation of compensation. On a strictly individual basis, the small operator can be as badly hurt by the loss of a few high quality cattle as the larger breeder can by a more substantial loss in terms of numbers. There are those in the agricultural industry who believe that compensation payments should be totally exempt from taxation. We in the official opposition will be content to settle for the deferral of payments, for we feel that this request is fair and right and that any excuse offered by the government to sidetrack this request can only be looked upon with scorn and indignation.

Farm organizations are unanimous in supporting the request for a tax change on compensation payments, and it is fair to say that health of animals officials are also sympathetic to representations on this matter and support the seeking of more reasonable tax treatment in this area. I would like to lend my support to proposals made recently by the Canadian Federation of Agriculture on the subject of capital gains tax. The present federal regulations clearly discriminate against the transfer of family-owned farms when they are incorporated, organized in partnership or in other types of family organization. As this discrimination seriously threatens the transfer of such farms to succeeding generations, the federation proposes that the rules for transferring farms to succeeding generations be the same regardless of the type of organization, as long as they are family-owned.

The government could well consider, too, exemption from capital gains tax of income received from land sold by a farmer or a family-owned corporation where the money is reinvested in another farm within a period not exceeding two years. An opportunity may arise for a farmer to sell one farm and buy another in the case of a more efficient operation. In many cases the farmer does not take advantage of this opportunity because of the present capital gains tax regulations. Since money received from expropriated farmland is not subject to capital gains if reinvested within two years, it would seem appropriate that a voluntary sale should be excluded from this tax as well.

Having supported these resolutions adopted by the Canadian Federation of Agriculture, I would like to take this opportunity to expand my arguments on the former resolution. The intergenerational transfer of farmland from an individual farmer to his children, and the inequitable tax laws which apply to that, has been a source of ire to farmers for many years. No doubt the Minister of Finance is aware of this difficulty as representations have been made in the past on this vital issue. The minister's predecessor was called upon to deal with this problem on several occasions, and on each of those occasions he was successful in frustrating the legitimate aspirations of farmers and the farm community.

While admitting that this is, indeed, a complex problem, particularly because what is required is an extension of the roll-over provision to family farm partnerships and corporations, I do not think it is quite as complex as the department would have us believe. The position has always been, simply, that nothing can be done as the issue is too complex to be solved by government, and that the loss of treasury money would be too great because the same provisions would then have to be granted to the small business community. I cannot accept such a negative explanation. While I am not of the opinion that it would be harmful to extend the roll-over provision to family businesses other than farming, I do not believe it is necessary to deal with the two as if they were identical cases when in fact they are not.

However, let us examine the problem from the farmer's point of view. That view is substantially the same as it was on February 18, 1975, when the hon. member for Qu'Appelle-Moose Mountain spoke so eloquently and so accurately about the plight of the farm wife and her outrage at income tax time. It is well known that because of the shortage of available labour farmers often cannot secure people to work on their farms. With equipment as expensive as it is, the only way they can keep things going is to find a responsible person to look after that equipment, and that responsible person is inevitably the farm wife. The wife may spend long hours driving a truck, running a tractor, operating a grain loader, running combines, loading bins, planting crops, milking cows, and quite often keeping books—and for this the wife is unable to collect wages and the farmer can make no claim for this on his income tax.

The only way that women or children who work on family farms can be entitled to payment is if they incorporate. If this is done, they pay lower taxes on the first $100,000 and pay their legitimate labour fees on the farm, but there is a catch in that because if they pass the farm on to the next generation, they then lose the tax-free provision in that section. It is grossly unfair and particularly insensitive of this government not to allow these people to have the advantages of incorporation without penalizing them by taking away the advantage of being able to pass the farm on to the next generation.

I am pretty certain that my time has expired, and I appreciate that. I have a number of other items to cover, but I am certain I can utilize the budget debate to do so. I would not want to jeopardize my hon. colleagues and, in fairness, hon. members opposite.

Some hon. Members: Hear, hear!

[Mr. Wise.]

Mr. Peters: Mr. Chairman, I welcome the opportunity which has been afforded to us today by the hon. member for Elgin in bringing forward the subjects covered under the agricultural estimates. I have kept in touch with events in my area and programs affecting the milk industry and I know that dairy farmers, like all Canadian farmers, favour a marketing system which will be conducive to stability of production.

● (1610)

Farmers like to think of themselves as free enterprisers, whether they are engaged in the field of beef, pork or egg production, the production of broilers or the production of milk and products related to it. When things are going well, they like to think of themselves as free enterprisers. When things do not go so well, they behave like other businessmen and turn to the government for help. Then they do not behave as free enterprisers but as producers afflicted with difficulties over which they have no control. This was true in the case of butter producers. Acting paternalistically, the government tried to solve the difficulty by establishing a floor price and bringing in surplus production at the floor price. But that did not satisfy producers because the price seldom went above the floor price. What was envisaged as the minimum price too often became the maximum price. For many years the government bought surplus dairy products and accumulated large stocks. This has happened in other areas of farm production. It has happened with regard to cereal grains and other commodities not covered by the stabilization legislation.

Over the years we have tried to give the agricultural producer the sort of security which is given to the industrial worker by a guaranteed or minimum wage. We set up the Canadian Dairy Commission which was to oversee matters of marketing and production and match production to national requirements. A number of provincial agencies entered the field as well. I have followed with interest the discussions in the last few weeks taking place in the agricultural committee between the representatives of various provincial marketing agencies and the minister and his officials. The provincial people put forward the provincial point of view and the minister and his officials tried to justify the marketing system which has been established. Mr. Chairman, the system has not worked, for reasons outlined by the hon. member for Elgin. Under our system we tried to meet national requirements. Unfortunately, we more than met them. The farming community over-reacted to demand and, using capital available from both federal and provincial sources, overproduced. Unfortunately, estimates of total milk demand in Canada proved to be excessive and producers were forced to reduce production. The result was disaster, as many young farmers can testify.

The hon. member for Elgin raised another point. Was the minister's decision that there was global demand in this country for 100 million cwt of milk based on the opinion of experts? Did he really have the benefit of expert opinion, or of an opinion which would allow him legitimately to arrive at that figure? Further, was that the proper figure to consider? Not long ago I talked to a prominent milk producer who, as representative of his local milk committee, discussed the minister's program with several hundred

farmers. He described the minister's program and talked about provincial input. I attended that executive meeting and told him to explain the program, but not to try to sell it. I explained that there was some difference between the Ontario Milk Marketing Board and the federal agency and that he should not try to sell the minister's program but merely explain it. He was asked this question, "What is your personal opinion about this program?" He said, "My personal opinion is, disregard it. Don't be too worried about the problem because it is my personal opinion, having been in the business 40 years, that we have cut back on production so fast that there will be a shortage by September." He may be wrong, but I am inclined to believe he will be right. In one month we cut back production in Canada by 15 per cent. After being ahead in February by 30 per cent over last year's production, we cut back production in one month by 15 per cent.

I do not know if hon. members pay attention to the number of milk cows coming on the market. In my community you will normally find, around this time of year, between 15 and 20 dried-up milk cows on the market. In the last two or three weeks we have seen between 100 and 125 milk cows being offered on the market for slaughter. One result has been that the local co-ops have sold less feed supplement for milk cows. I say that we have cut back too rapidly, and this more than anything else may bring the Canadian Dairy Commission into disrepute as a national marketing agency. Frankly, I do not think the Canadian Dairy Commission is capable of gauging the entire market. In that area of activity it is probably weakest. I am justified in saying this because in the last few months the consumption of fluid milk has risen by about 5 per cent. Why it went up, I do not know. Perhaps people quit drinking tea; perhaps the increased price of beer may be a factor.

An hon. Member: Perhaps people quit drinking water.

Mr. Peters: I do not know why consumption went up, but the consumption of fluid milk rose by 5 per cent. This growth in the consumption of fluid milk, as hon. members from Quebec know, creates difficulties for industrial milk producers since surplus fluid milk is used for industrial production. Clearly, the increased consumption of fluid milk will have ramifications in other parts of the milk industry. It is quite possible that milk consumption across this country will increase by 10 per cent.

This brings me back to my previous point. Why are milk cows now being offered on the market for slaughter? Many of them could have been sold two years ago, but were not because the market was depressed. Prices were rock-bottom for slaughter cattle. Consequently, they were held back. Hay and grain supplies were plentiful, and conditions for holding back were ideal. Farmers kept their cows so long as they had room for them. Probably they milked them. There has been no significant culling out of cattle for about two years; but now this is happening and there will be a considerable drop in production.

● (1620)

I am concerned because the minister does not give a damn whether his radical and short-range programs upset the market almost month by month. Last year the Ontario Milk Marketing Board was very upset. They held a number of conferences—one at Geneva—where they dealt with the minister's intervention into their market with his subsidy payments. He intervened in that market on the basis of once every three months. No notice was given that there would be a change in the subsidy program. When the minister intervened he changed the whole structure of the dairy industry. It is a very complex industry and a change in any part of it can make a very considerable difference.

To be fair to the minister, there was another large intervention in the whole structure. The Prime Minister went to Europe. I think it was for a trip which he could well have afforded, rather than going for the purpose of interfering with the industrial development of this nation. He could have gone on his own, like the rest of us. The Prime Minister visited a number of Common Market countries where he was wined and dined and talked about a contractual link. It sounded as though it were monkey-pod trees or something similar which would have no effect on them. However, they found out that in return for that contractual link the Prime Minister promised that Canada would buy 10 per cent of our dairy requirements from the European Common Market. To again be fair to the Minister of Agriculture, he must have put up a real battle because this was changed to 5 per cent. However, 5 per cent will have quite an effect on the dairy industry. If we go to 10 per cent, it will be an additional strain on the industry.

The area to which the 5 per cent applies is mostly cheese. There is a small amount of other dairy products. I suggest that the bleeding hearts working on behalf of Mrs. Plumptre look at what these imported cheeses are costing the Canadian consumer rather than making their idiotic suggestions. I am sure they would be surprised. You can walk into a Bank Street store here in Ottawa and purchase imported cheese from 30 or 40 countries, some of which costs $4 a pound. It probably has no more food value than Canadian cheddar which should sell for a considerably lower price than it now does.

Over the years, cheese factories in Plum Hollow and other places have not been able to get enough milk. There is a cheese factory in Belleville with 40 or 50 vats. It could run on two shifts and probably handle half the surplus milk in the industrial field in eastern Ontario. However, it is not in operation. I presume someone bought and closed it. I understand that someone wanted to buy this factory. He was told by the Ontario Milk Marketing Board that they could not guarantee him a regular supply of milk. If he could not get the milk, he could not get the loan. If he could not get the loan, he could not buy the plant. Obviously, it is still not in production.

When the government agreed to buy dairy products in the Common Market, this had quite an effect on the dairy industry in Canada. It is safe to say that dairy farmers, who are very large consumers in the industrial field, got very little benefit from any arrangement that would guarantee a 10 per cent commitment by this government. I ask the minister to make every effort to hire research people to make a full study of all facets of the dairy industry. The result of such a study should allow us to predict trends. Kraft carries out this kind of marketing research. They know exactly how much of a particular product they can sell and how high they can push the price before there is a

diminishing return. We do not. We just tell the farmers to cut their production 15 per cent.

It is not generally known, but when we had a surplus of milk powder last year which the minister said he could not give away, the government did not pay anything to help get rid of it. The farmer paid for it. Indeed, he paid a heavy price. In fact, I know some producers who only received a return of about $4 a hundred. The minister cut this to where they only get 17 cents a hundred for their surplus milk. Therefore, they have to turn to an alternative operation.

A year ago in my area, day-old calves were selling from $3 to $5. They are now selling from $40 to $72—$72 if they have a white face. Why? The farmer knows it is better to feed the calf for nothing than to dump milk down the drain. There are people in my area, and I know of some in Quebec, who open the tap at the botton of their bulk tanks. They are smart enough to turn off the agitator at night and drain out 300, 400 or 500 gallons. This just goes down the drain. The milk remaining in the tank will be worth more because the butter-fat content increases. Therefore, the price the dairies now pay for butter-fat content is steadily increasing. We must work out the best deal we can to provide as much money as possible out of the consumer dollar for the farmer and still have a good product at a reasonable price.

There is much talk about giving food to other countries. However, the idea of giving food to people in Canada has not been explored. Rather than the farmer pouring milk down the drain, he would be quite happy to give it to those willing to come and get it. That would be better than dumping it, which causes a bad odour in the barnyard. The drain systems were built to handle washwater, not milk. However, the farmer is not allowed to give it away. There are all kinds of regulations to prohibit that. For example, the milk is not pasteurized. In addition, he would run into trouble with the milk marketing board because that would cut into the market.

The minister can do something about this over the long term. If we cannot give away powdered milk to the people of India or Bangladesh because they do not know how to mix it and, if they did, the water would kill them, we could give it to our own people. Most low-income people in this country do not drink enough milk. They do not get the nutrition which our national health agency says is necessary.

[*Translation*]

Mr. Fortin: Mr. Chairman, in my turn I wish to take advantage of this unique occasion to address the Minister of Agriculture (Mr. Whelan), who is now with us, especially with regard to the dairy policy which predominates among the concerns of the eastern producers at this time. Before that policy was announced, the Minister of Agriculture, who was present when one of my motions was being debated, drank milk in the House and, it seems, thought he was being funny doing so. At that time, he promised a fair policy, taking into account all circumstances.

The policy was announced after much negotiation and discussion. Now, the producers must submit to it. I would like to know whether the minister realizes that there is the only category of workers in Canada who have to accept a decrease in income, compared with production or income in 1975, and that this lower income is being imposed by the very federal government which, in the past, through its policy, induced the producers to increase their production and which now inflicts upon them the burden of its short term policy. Can the minister tell the House, at this point in the debate, what his long term policy is with regard to dairy production? That is but one sector, and practically the only one in Canada, where producers depends exclusively from government initiatives, that policy is state controlled in the sense that under it the government can control every pound, from the first to the last. When producers produce too much, the government can use the act to penalize them.

The Chairman: Order, please. The hon. member for Kent-Essex (Mr. Daudlin) rises on a question of privilege or a point of order.

[*English*]

Mr. Daudlin: I rise on a point of order, Mr. Chairman. I regret to interrupt the hon. member, but I am informed that the officials in front of us have no translation facilities, and this may make it difficult to provide an adequate response to the hon. member when he has completed his remarks. I believe we ought to correct this situation before we proceed.

The Chairman: I do not think this should prevent the hon. member from making his speech. It is a temporary difficulty which we shall correct, but in the meantime I believe the hon. member should continue.

• (1630)

[*Translation*]

The hon. member for Lotbinière has the floor.

Mr. Fortin: Thank you, Mr. Chairman.

To summarize, I will say that dairy production in Canada is now state controlled in that governments have 100 per cent control over it. Producers are completely dependent on governments. We call this subsidized production in the sense that the income of producers depends on the government policy.

There are years when through its agricultural, and particularly its dairy policy, the government invites producers to produce more. The next year, the government says to producers: You produce too much. So we are going to impose quotas. The year after, the government says: Since we have been able to liquidate the surplus, we encourage producers to produce more. We will increase subsidies. We will tighten our controls. The next year, this year, the government says: You, the producers, are responsible, because you have produced too much. The government will accept no blame whatsoever. The minister himself and his parliamentary secretary have said in the House that the government could not do anything about it because we must import. The same minister told producers that they had to make their share of sacrifices because there was surplus production. This is a rather paradoxical situation.

Since the dairy policy was announced, there are over 3,000 industrial milk producers in my riding of Lotbinière. These are not small investments since they amount to

$200,000, $300,000, $500,000 and $800,000. The minister keeps saying and recognized today during the question period that this policy had given rise to many reactions, generally from people who are opposed to it. He confirmed that he received a request for the resignation of the three commissioners who sit on the board. This is an indication of a deep and very serious dissatisfaction. Is the minister aware of this situation? While his department's estimates are being considered, can he tell us if himself, his parliamentary secretary or his experts have a recipe to give us this afternoon, so that we might send it to our producers to show them how to pay their debts for which this government is responsible, because of its dairy policy?

Can the minister answer 30 or 40 complaints I have received for a week from farmers of my region who are about to put their farm up for auction, simply because they would give up farming. Mr. Chairman, this is a dramatic situation. The livelihood of these producers, the food of our people are at stake, a whole health system and marketing of our domestic production. Can the minister tell us where his interests lie? Do they lie in the import of cheddar and other milk by-products? Is he really the minister of Canadian producers so that he will assist them?

Is the minister in a position today to tell us whether when he is in the west he says the same things as in the east of the country? Mr. Chairman, we are Canadians or we are not. The minister says this to the western producers at some occasions: We have too much wheat, slow down your production and to this effect, here are subsidies to stop seeding; and in the east, the same minister not only imposes a ceiling but in addition to this he imposes a very hard penalty on those who produced too much. They produced too much because the government, with its short term policy, led them to organize themselves better.

I remember that since I have been sitting in this house, I heard this minister and his predecessor say that it is important to have a modern, well equipped agriculture and that milk producers should modernize their equipment, that they should put their herds under ROP control, that they should go into debt. That is what they did, Mr. Speaker. And now those people are penalized because they work. Can the minister advise the House this afternoon on the following matters: First, what suggestion has he to offer so that producers may live with this new policy? Can he tell them how to defer their payments to the farm credit union and on their instalments on farm machinery? Has he any answer? If so, Mr. Chairman, the debate is closed. If not, we must infer that the minister is wilfully accepting to let producers disappear because he has chosen to let the big get bigger and the small ones vanish.

Mr. Chairman, agriculture will never be viable in Canada if there is a policy for big producers which overlooks small ones. When I say "small ones" this may mean in some hon. members' minds a very small farmer with a couple of cows, but to me it means milk producers with $200,000, $300,000, $400,000 or $500,000 investments and who are now being penalized. To be honest, I must concede that the government is not the only one to blame. There are labour leaders at that level who have not been really honest with the producers and who did not always serve the cause of farm producers. Mr. Chairman, the minister is aware of that.

There is also that famous problem of two kinds of production—whole milk and industrial milk. There is also that problem, namely passing the buck at the provincial and federal levels depending on circumstances, depending on whether it suits Ottawa and Quebec to get out of a discussion, some dialogue or some question period. I am quite aware of that, Mr. Chairman. I think the time has come to stop passing the buck between Ottawa and Quebec, to stop passing the buck to unions also by saying, well, integrate your production of natural and industrial milk. Let us have a policy of extensive consultation and a long term policy. That is what producers want to know.

At present, Mr. Chairman, they are not overly worried about prices but they would like to know indeed what they will be faced with tomorrow morning. I could read to this minister this afternoon 30 to 40 letters of protest by people who are utterly confused, no longer have any hope for tomorrow working independently on their own farms since they are entirely disadvantaged by that policy.

The Chairman, I hope quite sincerely without any political partisanship that the minister will consider those issues which I may be expressing in violent terms but which reflect exactly the requests of my fellow citizens in Lotbinière who are very concerned—there are thousands of them in my riding—but also those of incalculable producers across Quebec in that situation.

Mr. Chairman, we do not have the right in our conscience as a Parliament and a government to let things go, to impose the dairy policy that was announced belatedly for that matter and, Mr. Chairman, we do not have the right to let that policy be implemented without ensuring an honest living and an equitable income for the number of hours, the work and the investment put in. If not, Mr. Chairman, it will demonstrate once for all that agriculture is not considered important by this government but I am not convinced yet. I wish the minister would tell his views on that matter and again I repeat the question: As long as the minister will be there, will he continue to deceive us by using short term policies from year to year or will he agree some day to give us a long term policy?

Mr. Chairman, I remind the House that last year, that same minister announced with a great fanfare a supposedly extraordinary long term policy to deal with that problem once for all. It did not even last a year. It lasted exactly nine months. And then the threat of a false overproduction was revealed by the statistics on foreign products importation and producers began to worry.

We have no right to abandon our fellow citizens in such a situation when they made so many efforts, sacrifices and investments. Not many Canadians work so hard, so intensively with so many hours of work than dairy producers. I do not compare them with other producers but those people have guts and certainly deserve more than a kick in the pants for all their work and their efforts.

● (1640)

[*English*]

Mr. Whelan: Mr. Chairman, quite a bit has been said about the dairy industry. As I have said before in this House, the hon. member for Elgin is usually very constructive in his suggestions, but I hope he has chastised the hon. member for Brome-Missisquoi, who I believe is the con-

sumer critic of the official opposition. For he told me in this House that I paid the dairy farmers of Canada too much money. I trust he told the hon. member what he thought about that statement.

I am also wondering, Mr. Chairman, where the hon. member gets his information. One source of his information was the Ottawa *Journal*. I know they often quote him, but they do not quote me very often. We all know the certain leaning that this Free Press periodical known as the Ottawa *Journal* has. If the hon. member is getting his information from this worthy—well, I am getting too complimentary of that paper, so I had better behave.

The hon. member also made reference to the somewhat controversial discussions that have been taking place between the former chairman of the Food Prices Review Board and myself. These may have concerned some people, but I think a lot of good has come from them. The people of Canada have never been better informed about food costs, food production, and so on. All during my long career in the public service before I came to this place no one paid very much attention to talk about food, but everyone is concerned about it now.

We conducted an official survey in Canada of what people think about food production, and the majority of the Canadian people think there should be a strong agricultural economy. They believe that what the Minister of Agriculture is saying is enough to prove this. I do not remember hearing the hon. member say this, but I did see a copy of what he was going to say about who is going to be where when we hold the thirty-first parliament. If he really believes that, then I can show him a survey that would kind of scare him, which is an indication of what the people think about what this government is doing about food production, what the government is doing about agriculture generally, and what the people want it to do.

The hon. member has talked about dairy policy. Many people have been saying that I am responsible for getting the government to pay the dairy farmers of Canada too much money, and as a result there is overproduction. Neither of the speakers of the opposition parties was so complimentary to me today; they just gave me a little bit of hell about what I have done or about what I am not doing.

When we talk of the dairy industry, we have to face facts. The agreement we have was heralded by the dairy producers of this country. The dairy farmers of Canada are some of the most efficient in the world. We worked out a policy with them whereby they would agree to participate as partners. They would be responsible for putting surplus products on world markets. We did not force this policy upon them; it was worked out in many meetings and consultations with them, and they agreed to it. In reply to the hon. member for Elgin, there has never been a time in our history, and records will show this, when there has been so much consultation with any group as there has been with the dairy farmers of Canada in trying to work out a stable and satisfactory dairy policy for them.

● (1650)

The hon. member for Timiskaming talked about the Prime Minister going to Europe, trying to establish a contractual link, and the fact that we might possibly import 10 per cent of our cheese from other countries of the world. We do not import cheese just from the European community. We import cheese from 26 countries, I believe it is. How could we possibly manufacture more than 75 per cent? Twenty-five per cent comes in in such small, minute amounts that no producer in Canada would even set up the facilities to process and manufacture that amount because it would not pay. None of our producers would do that, and they have told me this themselves because they could not possibly make it pay.

When we put an import quota on cheese of 50 million pounds, this was heralded by the dairy farmers and processing industry in Canada as a step in the right direction. They said that at least under these circumstances they knew what to plan for. If we banned all cheese imports to Canada we would not get rid of 20 per cent of our surplus. Yet the hon. member suggests this would be a step in the right direction. I do not hesitate to admit that I have not recommended that we ban every bit of imported cheese, because I know we could not manufacture some of this here in Canada. We have negotiations going on at the present time regarding cheese coming into Canada that is subsidized and supported by the country of origin. The United States has been successful in its negotiations. Cheeses that are supported or subsidized to a great extent are not imported into that country any more.

We are condemned for our dairy policy. Many people say we are too restrictive. The United States is more restrictive when it comes to dairy production than we are, yet people point to that country as a great trading nation. We have nothing to feel guilty about when we suggest we should be negotiating with those countries that support or subsidize cheese. I can take you to cheese factories in Ontario and in other parts of Canada that have real salesmen. They conduct tremendous advertising campaigns to sell their products. They have increased their productivity by 22 per cent, and they increased their sales by 22 per cent in 1975. You can check those processing factories that are doing this and you will not find that their sales have gone down. On the contrary, they have increased their sales in Canada to the same extent as the sale of imported cheese has increased.

One man told me last year that he did not know what he would have done had it not been for the mail strike. I asked him what he meant, and he said he could not have filled all his mail orders for cheese packages. He told me the most he had ever shipped in the past was 100,000 packages, and in that year he had shipped 122,000 packages. He has a mail order business and ships cheeses mostly during the Christmas season. This is the sort of thing we are missing the boat on in Canada. We are not selling our cheeses the way we should as compared to other countries. Just look at their ads and their salesmanship, or whatever you want to call it. They conduct sales programs for their products in Canada. They are selling all the cheese that we import here, and they are selling it at a very high price, as the hon. member for Timiskaming suggests. We know the mark-up on cheese in most stores. If someone tells you he is not making any money on butter and he has a cheese counter, just ask him how much he is making on that counter. There is an average of at least a 50 per cent mark-up on cheeses processed in Canada. The same is true

in respect of some imported cheese, and the mark-up is less on others.

Hon. members have made out that we do not pay any attention to the problems of dairy farmers. We knew, and they knew, last June that they were in trouble. We brought them in here in the early part of July and told them they had to do something about it. Some hon. members seem to forget what I told them last April when I announced the program for 1975-76. I said at that time I had enough money for a subsidy in respect of 100 million cwt. of milk, and no more. I told them they would have to stick strictly to that program.

An hon. Member: You were 20 per cent too high.

Mr. Whelan: I said I had enough money to support 100 million cwt. of milk.

An hon. Member: That was too high.

Mr. Whelan: When the final payment goes out, we will have paid the subsidy that we said we would pay on 100 million cwt. The producers increased production by over 114 million cwt., and maybe even more when the final figures are tabulated.

Mr. Murta: Your information was wrong.

Mr. Whelan: My information was not wrong. They should not have produced more than the 100 million cwt.

An hon. Member: You shouldn't have said it.

Mr. Whelan: We said that was all we wanted. You know, this is a dream to some of my colleagues in cabinet who always want more production. We asked for 5 per cent more production and we got 15 per cent more.

Mr. Guay (St. Boniface): If it is white, you say it is black; and if it is black, you say it should be white. You always say it is the reverse.

Some hon. Members: Oh, oh!

The Deputy Chairman: Order, please. The Minister of Agriculture has the floor.

An hon. Member: You are never wrong.

Mr. Whelan: The Canadian dairy farmers said that was okay. They said we would not have to worry, they would not even increase production by 5 per cent. That is what they told me. I can remember one fellow in Ontario who said, when I got into my biggest problem in respect of the surplus production of, I believe it was eggs, a couple of years ago, that this could never happen in the dairy industry because they had a supply-management system that worked. He was a long-time employee of the Ontario government and I thought, "By God, if he says that, that must be true; it must be factual."

It has been stated here that we have control over this. Every province in this country has a different kind of marketing system for milk. There are no two of them identical. The provinces have incentive programs with no consultation with us at all. They tell the farmers to increase their production. What are we supposed to do about that? I agree with the hon. member when he talks about passing the buck. There should be more control, whether through the Canadian Dairy Commission or a federal government program of some kind. There should be more central control if we are to have any plan or program that will work across this nation in an equitable and fair manner for the industrial milk producer.

You can consider the province of Ontario which has one over-all board marketing 54 per cent fluid milk and 46 per cent industrial, divided between industrial and some cream producers. Then you can go to Quebec where you have two separate organizations, one for fluid producers and one for industrial producers. You can then move to Manitoba where you have complete pooling, with one organization. If 60 per cent of your milk sold is industrial, you get paid for 60 per cent at the industrial rate and 40 per cent at the fluid rate. Actually, it is the other way around, with 60 per cent in Manitoba being fluid milk and 40 per cent industrial milk, and that is the rate they are paid for No. 1 milk shipped in that province. I think there is less controversy and less dissension in Manitoba. I am not saying there is not some, because I know better than that, but there is less problem there than in any other province that has an industrial milk problem. Some provinces do not have much of an industrial milk problem.

Let us check some of the figures in respect of supply. On the basis of a report dated May 5, with 85 per cent total industrial milk in Quebec the supply for April, 1976, was 15 per cent to 20 per cent higher than in April, 1975. In Ontario the supply of industrial milk in April, 1976, was up 15 per cent to 20 per cent over that in April, 1975.

Mr. Peters: But it dropped 15 per cent the month before.

Mr. Whelan: Yes, they had dropped some, that is right. We know that in Canada there were 200,000 dairy cows kept in production one year longer than they should have been. We know these have gone to market. I have met a lot of dairy farmers in Canada, many of whom have told me they made some mistakes. They are ready to share the responsibility for those mistakes, as we are ready to share some of the responsibility. I do not have that bad a time when I meet dairy farmers. Some of them blame me entirely, but the vast majority recognize that they were also at fault and do not blame me.

● (1700)

We told them last year that they should curtail production. They admitted that they were wrong and that their marketing boards should not advise young farmers to get into dairy production unless they had quotas. I think the province of Ontario is doing a very fair thing about quotas. They will distribute them to the young farmers who they think need them the most. It is about time they did that.

The hon. member for Lotbiniere asked whether we are trying to make it easy for all the rich people. That is what they were doing. Those who could afford to pay a high price for milk quotas were buying them. It was brought to my attention, through a letter the other day, that a quota was sold for $16 a pound. An old disc on the farm that had not been used for five or six years sold for $2,000 in the same deal. It would be worth about $12 for scrap. This is how they get around the quota price. So I think the prov-

ince of Ontario is doing the right thing in trying to rectify the situation that exists.

We talked about brucellosis and some of the other diseases. I could go back to what the hon. member for Timiskaming mentioned about making sure that we get rid of the skim milk powder in our own nation because many people need more protein and more of the minerals that milk contains. There is not denial of that. However, the provinces can do that. Society as a whole can do it. Do not ask the farmers of Canada to do it, because they own that product. We might go to Nova Scotia, that little province on the eastern seaboard.

Every child in school in Nova Scotia gets milk at five cents for eight ounces. That is under a good government down there. I will tell you that their dairy farmers are the highest paid in the world. Plus the subsidy that we pay them, the province pays them $1.50 a hundred on top of that. They have not increased their production too high. They are not self-sufficient in respect of milk supplies. They bring in milk from Quebec. I could show you a very successful farm co-operative in Nova Scotia which has some of the most modern dairy equipment in Canada which, plus that, paid them $1 a hundred dividend on the milk that they put in their area and they supplied the people in the area with some of the lowest priced dairy products in Canada.

If they can do that, and they are doing it, then surely we can solve some of the problems that confront our dairy people. Do not forget, also, that we are subsidizing skim milk powder to the tune of 34 cents a pound for consumption by people from any part of our society. That means that one can buy a pound of skim milk powder for approximately 72 cents. There have been some sales at which it has been sold as a loss-leader for much less. One can make four quarts of skim milk powder, according to our nutritionists, from a pound of skim milk. That works out to 18½ cents a quart. Mr. Chairman, I do not think one can even buy distilled water for that amount of money. That is the cheapest and most nutritious drink we have in this country. Our social services in this country are second to none in the world. So there is no reason that anyone in our society who has to spend nearly $1 for a package of cigarettes cannot spend 70 cents a day for four quarts of milk.

Mr. Deputy Chairman: Order, please. I regret to interrupt the minister, but the time allotted to him has expired. He may continue with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Whelan: I will not take up very much more time. I think there is a great misconception when we hear talk about our getting rid of skim milk powder on the markets of the world. I was happy to hear the member from the New Democratic Party say what he did. He could go right to the city of Windsor, that little old labour town of mine, and say the same thing that he said here about those farmers and what they should get for their milk, and so on. Those are good things to say.

I can tell you that many members of the media are not saying that. They think that because a farmer has a nice dairy farm, and so on, he is among the richest people in society. They must learn that this is a seven-day a week job, that the children work and, as the hon. member for Elgin pointed out, there is also the matter of the treatment of the wives. I should like to touch on that later, if I may. The denatured skim milk powder that we are selling on the world market for animal feed, which cannot be used for human consumption, is a product that deteriorates. Some people think when we talk about skim milk powder that we are talking about grain that can be stored in a farmer's bin on the prairies even without a roof over it. That is not true.

We should be honest about that when we are talking about skim milk powder. We should make sure we know what we are talking about and that we know how it is distributed on the world markets. The skim milk that is distributed on the world markets is not instantized. It is not ready for human consumption. Canadians would not drink it in that form. There is no doubt it is true that it can be used in the baking process, but it cannot be used in the home. There is a cost of about 30 cents a pound just to instantize it. So if you see it sold on the world market at 13 cents or 14 cents, add 30 cents on top of that right away before you talk about using it for human consumption.

The hon. member for Elgin talked about farmers' wives, the taxing problem, and so on. I think we should be realistic. When we changed the tax laws about three or four years ago we allowed a farmer to turn over his farm to his son or daughter without any capital gains tax. They had worked all their lives at building the thing. This was approved by the House. By the way, no other country in the world does this. The Secretary of Agriculture in the United States, when I told him about it, asked me what we are doing. I said that we want to make sure that our farmers remain in agriculture. He said that he would not have a snowball's chance in hell of getting that through the United States Congress. He said he would never know how we ever got that through the parliament in Ottawa. There is not another country doing what we are doing.

The hon. member for Elgin mentioned the forming of a corporation. He said that they could issue shares, and so on, and do this in a very fair manner in the same way it is done by business. The farmers' wife, in that way, could share in the income in a fair fashion. I do not see anything wrong with that, but so far as I am concerned we can only go so far. Agriculture is so different from small business, and so on, that I would find it difficult to promote that kind of a thing, much as I do promote agriculture, because I would have every small businessman in Canada being kind of mad, and I think they would have a legitimate reason.

Other things were said here about the amount of the supply of milk, the eradication of brucellosis in Canada, and the number of cattle we have. In 1950, approximately 9 per cent of our cattle in Canada were infected with brucellosis. In 1956, 4.5 per cent were infected. In 1966, the figure was 2 per cent. That is one of the lowest rates. It is practically the same, but we are not too happy about it.

● (1710)

We maintain that much of the brucellosis problem in Canada today is due to poor housekeeping. Farmers have a certain responsibility in this respect, and they know it.

Very rarely do you find brucellosis in a good farmer's dairy herd because he does not allow neighbours' dogs on his farm, and so on. But some farmers do not want to recognize the fact that they have that responsibility. We believe that the eradication of brucellosis and blue tongue are absolutely necessary to maintain the good health of our herds. We have the most disease-free herds in the world, and we want that to be maintained.

We want to be able to issue health certificates for disease-free animals which were accepted, I believe, in 131 countries of the world. That is a much better state of affairs than can be found in any other country. I think that as members of parliament we should not suggest, for instance, that blue tongue should not be eradicated. We will have to isolate the area in British Columbia where it exists, to make sure that cattle are not shipped out of there, and we are having some difficulty in that respect. Some infected herds have been found there. They have been moved to meadows and pastures up in the highlands of British Columbia, where they will stay until next fall. So we will have to do something more drastic than we have been doing up to now to bring farmers to the realization that this disease must be eradicated.

Mr. Chairman, I have been speaking too long already. I will try to answer questions as they are put to me.

Progress reported.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Winnipeg North Centre (Mr. Knowles)—Veterans Affairs—Suggested provision of prorated pension for widows of pensioners whose disability was less than 48 per cent; the hon. member for Toronto-Parkdale (Mr. Haidasz)—Immigration—Implementation of recommendations of Dubé inquiry—Government position; the hon. member for Provencher (Mr. Epp)—Immigration—Request for early decision on application of Steven Badger for landed immigrant status.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58

House again in committee of supply to consider a certain item for the year ending March 31, 1977, pursuant to the provisions of Standing Order 58(9)—Mr. Turner in the chair.

Agriculture

Resolved, that a sum not exceeding $35,451,000 be granted to Her Majesty for the fiscal year ending March 31, 1977, (less the amount voted in interim supply) as follows:

Vote 1—Administration—program expenditures and contributions, $35,451,000.

Mr. Hargrave: Mr. Chairman, it should come as no surprise to members of the House that I intend to discuss various aspects of Canada's beef cattle industry. Most of my remarks will relate to the current situation, but it will be necessary to give a brief background and I hope to end with a short-term outlook for our cattle industry as I see it.

Canada's beef cattle industry has just emerged from its most rapid growth cycle in modern times. From the 1968-1969 period our beef cow numbers increased 43 per cent to a total of over 5⅓ million head in 1975. Even with a corresponding drop in dairy cows, in that same period the net composite increase over this seven to eight year cycle was still well over 30 per cent. Presently, Canada's total cattle population is about 15 million head. Over this period we were consistently net importers of cattle and beef, with practically all cattle imports coming from the United States and beef imports from the United States, Australia and New Zealand. Starting last fall with the heavy sale of cows, we are now definitely on the downside of the cycle and our current 1976 calf crop will likely be down by 2 per cent to 4 per cent. However, Canada still has ample supplies of cows, and currently even an oversupply of steers in various stages of growth either on grass or being finished in feed lots. We should not overlook the fact that while in 1975, 900,000 cows were slaughtered, about 300,000 more than in 1974, if we go back to the figures for 1973 and 1974 we find that the numbers were down by approximately 250,000 for each year. So we are only catching up with the average with the heavy slaughter last year.

The last two years have been difficult ones for our Canadian beef cattle industry, and no one can deny that. They have been especially difficult for the cow-calf producers and the feeding side of the total industry. The reasons for these difficulties relate to two basic factors, first, excessively high cattle populations which developed much too quickly and, second, rapidly increasing, and now sustained, high feed grain costs. The problems of our cattle industry were further complicated by some world factors such as drought, feed grain and protein shortages, inflation and realignment of several major currencies. We all made a serious error in assuming that rising beef prices at the consumer and producer levels meant a shortage of cattle on a global basis. I am sure that this was a serious error on the part of many people. But the most serious complication was a series of ill-advised political decisions in both the United States and Canada. I am referring to policies such as Canada's LIFT program, the U.S. control policy which was left on cattle and beef for six weeks after all other controls were lifted, Canada's 7 cent beef subsidy policy, and the several serious and successive retaliatory border control devices employed by both countries.

This government has developed its so-called stabilization approach for various agriculture commodities including the cattle industry, but it is now obvious that stabilization

for cattle as provided by Bill C-50 is certainly not the panacea that the minister and some of his cabinet colleagues would like us to believe it is. The current debate on our total cattle industry centres on various provincial income insurance plans, supply-management and the North American market concept, with the government's stabilization proposals being the dominant connecting issue. Over the last 12 months the stop-loss concept of the Minister of Agriculture has been pushed toward a guaranteed income or incentive level approach for our cattle industry by the minister and at least by some provinces. We should not forget what stop-loss is. It is a support price level at 90 per cent of the previous five-year average market price, plus a cost of production index. The minister now seems to be supporting a level above 90 per cent, such as the 100 per cent used in his fed cattle support price of $43.94 for the last 4½ months of 1975. Incidentally, that level turned out to be 26 cents a hundredweight below the actual pay-out average price of $44.20—so there was no pay-out, of course.

The minister has announced that there will be another fed cattle support price for 1976, but he refuses to announce the price and he has hinted that it may not be announced until the end of the year. However, we do know, as a result of my question on the order paper, that the previous five-year average for fed cattle ending December 31, 1975, is $40.60 a hundredweight. Of course, this is not adjusted for a percentage factor or the cost of production factor.

Let us turn to calves and the possibility of a cow-calf stabilization program. In my opinion there are clear indications that there will be no such program. The previous five-year average market price—this is for the last quarter of each year—up to December 31, 1975, is $40.39, again not adjusted for the percentage factor or for the cost of production. The level of $40.39 is the real reason, in my opinion, why the minister will not bring in a calf stabilization plan since the actual average calf price, even with a modest percentage and cost of production increment, would not be politically acceptable to cow-calf producers in Canada today.

There are two additional and important reasons why there will be no cow-calf plan. First of all, there are various calf programs now operating across Canada in six provinces and covering most of Canada's cattle. Second, there is a lack of federal financing and cabinet support for a cow-calf program, especially during this period of restraint. Of course, all these realities are small comfort to cow-calf producers who have operated at less than cost of production over the last year and a half, and I am very much aware of that. If we are honest, we must surely recognize the real reason for the cow-calf mess is the too rapid cow population increase in Canada and the United States over the past seven to eight years and the high cost of feed grains, as I have already pointed out.

● (1720)

However, after a period of political distortion in both Canada and the United States, the free market for cattle is working, and working very well now. The market signals have said loudly and clearly that there are too many cows, and a substantial reduction has already taken place. I pointed out that the 1976 calf crop may be down as much as 4 per cent. The cow population adjustment has been abrupt and rough on some operators, but again, if we are honest, we must admit there were some new producers—and I am not thinking of young producers—who transferred into the cattle industry who should never have become involved.

Should federal moneys be used to bail out or otherwise induce these fringe operators to continue? I think not.

I said the free cattle market system is working and, I might add, so is the North American market. Several weeks ago the minister at a Strathroy, Ontario, meeting made it very clear that he feels that heavy or excessive imports from the United States can only be controlled by supply management for cattle. There were some heavy imports at that time, as high as 8,000 head per week, whereas last week, the last week of record, there were approximately 1,900 slaughter cattle and 1,200 slaughter calves. I suggest the minister at that time only gave one side of the story.

For the week ending May 10, and that is the last week of record, here are the cumulative trade totals with the United States for 1976, that is, from January 1 to May 10. In that period, Canada exported 116,840 head to the United States, and we imported some 60,320 slaughter cattle and another 19,238 slaughter calves for a total of 79,558 imports. For dressed beef in that same period Canada exported 30 million pounds to the United States, and we imported 8.6 million pounds from the United States. This 8.6 million pounds of imports from the U.S.A. is up 1.2 million pounds from the same time-frame a year ago, but the total imports of dressed beef are up some 23 per cent. Most of this, of course, is coming from Australia and New Zealand. The point is that Canada has a very positive trade advantage in both dollars and numbers over the United States. We should not overlook or forget that during the last 4½ months of 1975 the U.S.A. accepted some 100,000 live cows from Canada, a fact which did not go down very well with United States cattlemen but did considerably strengthen our Canadian cow market for the other 800,000 cows which were sold in Canada. The North American cattle and beef market continues to be the only practical, long-term market available to our Canadian industry, regardless of whether we are net importers or net exporters of cattle and beef.

When we are on the net import basis, as we have been for the last seven or eight years, the United States is the only source of live cattle and fresh beef available to us; and when we are on a net export basis, no other country in the world can afford to buy our cattle and beef on an offshore basis, that is, with transportation costs considered. To those of us in the Canadian cattle industry who feel we should move in a supply-management direction or even in a series of provincially-oriented income assurance or price stabilized plans which involve top-loading, I say very emphatically but sincerely that that decision must surely be based on the more basic and fundamental issue of the choice between access to a continued North American market for our cattle and beef, or an inward-oriented—with federal import controls—type of industry which will surely move us toward virtually a giant public utility. That must be our choice, since the United States will certainly move to deny us their market if we choose the price-subsidized route.

We have recently seen how quickly the Americans can move in matters of border retaliation, and we simply cannot win that kind of trade war. As recently as mid-January of this year United States Secretary of Agriculture Butz told a small visiting group of Canadian members of parliament and provincial MLAs that the United States would move quickly and decisively with border restrictions if Canada chose the subsidy route on major agricultural commodities involved in international trade, such as cattle and beef.

The companion policy decision to be made by our Canadian cattle industry must also be whether or not we intend to go all out and produce cattle and beef and seriously compete with the United States, at least in proportion to our cattle numbers, and this means moving to a net export position, or very close to it. The alternative to this is the same alternative to the North American market, which is an internal ultimate supply-management for our cattle industry in Canada. Surely consumers will have a say here, if only through the marketplace, since minimum cost beef can only come from efficient high production which is geared to what I consider to be the best market in the world, the North American market.

In any event, the decision as to which route our Canadian cattle industry takes must surely be made by our own beef cattle industry and not by governments. No one will question the need for governments—especially the federal government—to provide certain guidelines as to animal health, trade matters, etc., but that ultimate decision must be made by cattlemen. I wish to conclude with some specific questions and comments to the Minister of Agriculture and his department, all relating to our cattle industry. These are in series to which I hope the minister might respond a little later.

Why has his department ceased reporting the monitored weighted average price which used to come out monthly in the blue book? Producers are entitled to this, especially if we are to have support prices. I should not have to put questions on the order paper to get this information. Why was Canada's export quota allotment to the United States recently reduced by 4.5 million pounds and an identical increase awarded to Australia and New Zealand by the U.S.A.? Was this protested by our Department of Agriculture and by the Department of Industry, Trade and Commerce? Is our Canadian cattle and beef still being used as a pawn in trade matters for the ultimate benefit of other industries, such as the auto pact?

The Canadian Cattlemen's Association made a very useful presentation to the Canadian Tariff and Trade Committee as a reference to GATT negotiations. Has this presentation been used in the Tokyo round of discussions, or will it be used? On another trade matter, current offshore imports of beef, that is, from Australia and New Zealand, are being dumped into Canada at price discounts of as much as 15 cents per pound under prices in the United States for the same kind of offshore imports into that country. This has a direct tendency to lower our Canadian cow prices. What about the United States' 10 per cent ad valorem duty on Canadian beef and processed meats, which I consider to be a one-way inequity which has no equivalent on our part in Canada?

I will continue to remind the minister of the need for a Canadian meat import law. In his December 31 press release he as much as promised this item, without using the phrase "meat import law". I urge the minister to read that press release once again, and if the minister again reminds me of his sarcastic comment involving the free traders in the Canadian Cattlemen's Association wanting protection, I will remind him that as long as the U.S.A. employs this device by presidential decree—that is their meat import law—that is reason enough for its use in trade emergencies here in Canada.

• (1730)

Let me return to the stabilization question. Will the minister announce the 1976 support level for fed cattle, now? I know the minister has stated that such an announcement made too early might distort the market, but announcing it late denies the producer of a basic right and information which could establish a more realistic market level for feeder cattle as they relate to finished beef. I say to the minister, let us be frank. A late announcement also permits political manipulation.

Mr. Whelan: We would not do that!

Mr. Hargrave: Will there be a federal cow-calf stabilization plan? If not, say so. Let us have an end to this play on words such as "cattle", "beef" and "cows", etc., words the minister insists on using every time he is questioned. His parliamentary secretary is now doing it, as evident from his response to my colleague from Vegreville in the adjournment debate on May 17. As reported at page 13604 of *Hansard* the parliamentary secretary said in part:

> Ever since the original 1958 legislation "cattle" has been interpreted to mean slaughter cattle. We continue to consider that the named commodity, cattle, is represented by slaughter cattle.

This is nonsense. By implication the minister and the parliamentary secretary suggest that Bill C-50, which the minister sponsored, does not permit a cow-calf plan. Of course it does, and the minister knows it. I ask him just to answer my question on the subject. If there is not to be such a plan he should say so, and very quickly.

In conclusion, Mr. Chairman, I shall refer to a newspaper article. Last Saturday, May 15, in a Toronto *Star* feature story on the Minister of Agriculture, the minister was quoted as saying:

> All the farmers want is to be guaranteed—if I'm a productive person, make sure I get a proper return.

I suggest that this is a socialistic philosophy which the majority in the Canadian cattle industry does not accept.

Mr. Whelan: Come, now.

Mr. Hargrave: It represents a direct departure from any semblance of a market dominated by supply and demand. My own personal experience suggests that most productive farmers want the opportunity and freedom to exploit the opportunities of the market.

Mr. Whelan: That's a red herring argument.

Mr. Hargrave: I can personally support the stop-loss concept of Bill C-50 for the cattle industry, but not the toploading provisions with regard to cattle, for the very

reasons given in the minister's two amendments on toploading. They relate to regional unfairness and incentives to overproduce.

Suppose a federal cow-calf stabilization program had been in effect for 1975, a program which might have paid out, say, $50 per calf.

The Deputy Chairman: Order, please. I regret to interrupt the hon. member, whose allotted time has expired. He may continue if he has the unanimous consent of the committee. Does the hon. member have unanimous consent to continue?

Some hon. Members: Agreed.

Mr. Hargrave: Mr. Chairman, I thank the committee for its courtesy. I shall speak only one or two minutes. I was saying, let us suppose that a federal cow-calf stabilization program had been in effect in 1975 under which $50 per calf might have been paid out. The total cost would have been about $275 million to the public treasury. What would have been the result? I suggest that the downward adjustment in our cow numbers which was so essential would not have occurred at least to the same necessary degree. I also suggest that a payment of $50 per calf would not have been sufficient to help those in trouble, but would have created an atmosphere which would naturally lead producers to expect a continuance of the program year after year. In my opinion the actual market price of calves would have been somewhat lower than the true market level, owing to the effect of the $50 subsidy.

While it is true that the large numbers of steers now in the pipeline will have some pricing problems, by and large the Canadian cattle industry has either resolved or is in the process of resolving, its own problems in a market place which includes the United States market. You can say it was rough justice, that it was swift and sure. At least the cattle industry can now see much better days ahead. And, Mr. Chairman, that is more than can be said for the egg and dairy industries of our country.

Mr. Marchand (Kamloops-Cariboo): Mr. Chairman, I understand that the committee will be interrupted at 5.45 for Royal Assent. As I am to chair at eight o'clock this evening a committee on Indian affairs, I have little time to make my remarks.

Mr. Knowles (Winnipeg North Centre): Don't worry, his nibs will be late.

Mr. Marchand (Kamloops-Cariboo): I will not cover the entire ground covered by the hon. member for Medicine Hat; I shall leave that to the Minister of Agriculture who is a wise man. I admit that the hon. member who spoke on behalf of the cattle industry mentioned many good points.

I wish to bring to the attention of the committee a situation which developed in British Columbia, where cattlemen met and voted to adopt the B.C. income assurance program. I think the committee is aware of conditions which had existed in the province, of the difficult times ranchers went through. Many of them were on their knees. We had a poor crop in the area a couple of years ago, cattle prices were low, and some operators were forced to their knees.

I am not speaking of cattlemen who had just established themselves in business. They were not fly-by-night operators, here today and gone tomorrow. Many of them were cattlemen who had been in business 30 or 40 years. Actually some of them were descendants of the people who had displaced my ancestors in that part of the country, so you can see they were solid, good types. Many of those guys survived and were able to carry on as producers in British Columbia only because they became involved in the income assurance program which was introduced in that province. I know some are concerned about abuses connected with the program, and about people becoming overly dependent on such programs. I only say that such programs, if handled and administered properly, can be good. It was a good program and helped many cattlemen in the province to survive.

I want to speak for a few minutes about the disease, blue tongue. I say to the minister that we have discussed this disease in committee, and I emphasize again how concerned British Columbia ranchers are about it. I understand that 49 herds in the southern part of the Okanagan Valley are afflicted with the disease, although I do not know how many animals are actually involved. The situation is serious and concerns many ranchers. I have no qualms about the eradication program and have the highest regard for the health of animals people, the veterinarians involved with that special branch of the Department of Agriculture. They did a good job. The eradication program was necessary. Nothing else could be done, I submit.

Let me enter a note of caution. I am concerned about the possibility of herds in that part of the province being reinfected unless there is a similar eradication program in the state of Washington. The herds on the Canadian side are very close to herds in the state of Washington. In some cases ranch lands are side by side, and herds on both sides of the border are often close to each other. I am told that the infecting insects, known as "no see'em" culicidae, have a very short flying range. However, I really do not buy all of this. I would like to see the minister make great efforts to get the state of Washington and U.S. Secretary of Agriculture Butz to take a long hard look at the program in the state of Washington as it relates to the re-infection of our cattle population in the south of British Columbia.

● (1740)

I wish to get a little more parochial now and a little closer to home and talk about the future of the research station in Kamloops. This station has been doing range management research since about 1936. It is a good station with a good history. It has served the ranching industry of that province very well.

Lately the research staff has diminished to five. Over the years, there have been approximately seven research scientists involved in animal research, soil, range management research, and so on. One problem recently identified as being of high priority for the ranchers is related to deer-cattle competition for range.

On behalf of the ranching industry in British Columbia I ask the minister to take a hard long look at this. Perhaps that has already been done. I know the minister has been looking at it on behalf of the ranchers' advisory committee there. I ask that the two positions at the Kamloops

research station be filled so that it can continue as a very valuable station on behalf of the ranching industry of British Columbia.

Another question that is very urgent for the feed grain users of British Columbia is that of feed freight assistance. I know this question is now under reconsideration by the government. However, in the remaining few minutes that I have I want to emphasize that it is a very serious question for the feed grain users of British Columbia.

There are some great inequities. These have been pointed out by the agricultural community of British Columbia as far as the transportation agricultural products are concerned in the province of British Columbia. One question that always comes up is the bringing of feed grains into British Columbia.

I will give an example of why there is concern. Grain for the export market moving between Calgary and Vancouver moves at a rate of about $4 a ton. Feed grains for domestic use move between Calgary and Vancouver at $18 a ton. When you apply the feed freight assistance between those two points, it amounts about to $9.50 a ton. This shows that the concerns of the feed grain users of British Columbia are serious indeed. I hope that in the minister's part of the review in this policy question he will ensure that this program remains, either in its present form or improved. Something must be done to benefit the feed grain users in British Columbia.

One consideration when the policy was announced a few years ago to remove the provincial boundaries for purchasing of feed grains was that some other program would be introduced in order that the situation would be improved in some parts of the country. One suggestion was that more grain be grown in the maritimes. There may be some free land there. I am not sure of the situation. However, that situation does not exist in British Columbia. There may be a few areas in the Okanagan where a bit more feed grain could be grown, but there is just not land available in British Columbia that could be used for growing feed grain. Therefore we are very anxious that the feed freight assistance program be carried on so that feed grain users in British Columbia can survive in a much healthier manner.

Those are all the remarks I will make at this time. I think the man will be coming to the door pretty soon.

The Deputy Chairman: The hon. member for Saint-Hyacinthe.

Mr. Wagner: Mr. Chairman, I hear a knock at the door. I just wonder whether it is the intention that we proceed.

The Deputy Chairman: Shall I rise, report progress, and request leave to consider the resolution later this day?

Some hon. Members: Agreed.

Progress reported.

Mr. Speaker: It would be in the interest of the membership to recognize that we have gone through this exercise in order to be prepared for the knock at the door which is due to come at any moment, and that later this day we will go through a similar exercise in order to retrieve this important committee and get it back into session.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order. This would be a delightful occasion for us to have a grievance, but I do not know whether in the aftermath of the glow of today we should do that. It occurs to me this would be a great opportunity for a grievance of some kind.

Mr. Knowles (Winnipeg North Centre): Can we not just sit for a minute or two?

● (1750)

THE ROYAL ASSENT

[*Translation*]

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable The Deputy Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

● (1800)

[*English*]

And being returned:

Mr. Speaker informed the House that the Deputy Governor General had been pleased to give, in Her Majesty's name, the Royal Assent to the following bill:

Bill C-89, an Act to amend the Anti-Inflation Act—Chapter 98.

Mr. Speaker: Perhaps the House would agree that we should return to committee of the whole so that the hon. member for South Shore (Mr. Crouse) can take the chair and call it six o'clock.

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58

House again in committee of supply to consider a certain item for the year ending March 31, 1977 pursuant to the provisions of Standing Order 58(9)—Mr. Crouse in the chair.

Agriculture—Vote 1.

Resolved, that a sum not exceeding $35,451,000 be granted to Her Majesty for the fiscal year ending March 31, 1977 (less the amount voted in interim supply) as follows:

Vote 1—Administration—Program expenditures and contributions, $35,451,000.

The Acting Chairman (Mr. Crouse): Is it the pleasure of the committee to adopt vote 1?

Mr. Knowles (Winnipeg North Centre): Six o'clock.

The Acting Chairman (Mr. Crouse): It being six o'clock p.m. I do now leave the chair until eight o'clock p.m.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

ROUTINE PROCEEDINGS

[*Translation*]

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF MINISTER OF TRANSPORT OF ISRAEL, AMBASSADOR OF ISRAEL TO CANADA AND OFFICIALS OF DEPARTMENT OF LABOUR

Mr. Fernand E. Leblanc (Parliamentary Secretary to Minister of Labour): On a point of order, Mr. Chairman. I think that it is proper to point out that we have in the Speaker's Gallery this evening the Minister of Transport of Israel who is accompanied by officials of his department as well as the ambassador of Israel to Canada. We also have officials of the Department of Labour.

GOVERNMENT ORDERS

[*Translation*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58

The House resumed consideration in committee of certain items of the estimates for the year ending March 31, 1977, pursuant to the provisions of Standing Order 58—Mr. Turner in the Chair.

Agriculture

Resolved, that a sum not exceeding $35,451,000 be granted to Her Majesty for the fiscal year ending March 31, 1977, (less the amount voted in interim supply) as follows:

Vote 1—Administration—program expenditures and contributions, $35,451,000.

Mr. Wagner: Mr. Chairman, allow me, as representative of the constituency of Saint-Hyacinthe, which is both urban and rural, to take part briefly in this debate of the House and to express some views on the difficulties that exist in certain sectors of the agricultural economy, particularly in the dairy industry of my province. These difficulties are a result at the same time of the disturbance caused by inflation, of the chaotic policies of this government and of the particular structures of Quebec's agriculture.

[Mr. Knowles (Winnipeg North Centre).]

• (2010)

There is no use to hide this. As much as the industry worker, the agricultural worker is the victim of the startling consumer price increase, which has risen by some 35 per cent during the 1971-76 period. The effects of inflation have been particularly felt by the farmer because he is not only a producer of goods but also a consumer like everybody else. Like you and I, he has to provide for his individual needs as well as his family's but as a producer, he also has to pay for the equipment and the input needed for the business he is running.

More than everyone else perhaps, the farmer is affected by the continuous price increases in feed grains, fertilizers, energy and transport rates. The milk producer in particular is further affected by the domestic and international market contraction, and he has to fight against growing dairy products imports. In those circumstances, he deserves more than the divided attention the government is paying him. He asks that we consider seriously his fate and that we take at last some harsh steps if necessary to restore in his industrial sector the prosperity and the security which he needs like other citizens.

Now, what has the government just done for the milk producer? On the pretext that the subsidy to production tends to reduce efficiency and productivity and that it is necessary to curtail budgets, the government has just ordered a lamentable reduction in its program designed to support the dairy industry. But is this policy as realistic as stated by the government? On the one hand, the consumer will experience a considerable increase in his food budget; on the other hand, we run the risk of reducing our consumption of dairy products which are so important to our health. Finally, the government puts hundreds of small milk producers on the verge of ruin, and they will eventually be on other welfare programs. The savings it expects to be able to make could well be only an illusion.

And that is not all. The government is directly responsible for the enormous difficulties which, as recognized by the Minister of Agriculture (Mr. Whelan) himself, the dairy industry will face this year. One and even two years ago, the minister was strongly urging dairy producers to increase their production to such an extent that the domestic market has now reached saturation point.

The height of folly for the government was to raise by 11 million pounds the ceiling on cheese imports which now reaches 50 million pounds. Last year, they authorized the import of 10 million pounds of butter and regardless of a glut in the international market, they urged our producers to produce more powdered milk. Mr. Chairman, is this planning in any reasonable sense? A ceiling of 9.5 billion pounds for authorized shipments is a hard blow to producers. Actually, this ceiling is still being lowered by the minister's decision to impose a levy, more exactly, a fine of $8.60 per hundred pounds on shipments exceeding 94.5 per cent of the individual quota.

To make the position of the milk producer even more difficult, the minister is now imposing another levy of $1.35 a hundredweight on all shipments made within the limits of the marketing quota.

What is the minister trying to achieve? The bankruptcy of milk producers? With such drastic measures, one would

be tempted to think so. The direct result of his policy is that a vital Quebec industry is now confronted with nearly insurmountable problems.

It is therefore not surprising that when the new dairy policy was announced, the Quebec Agricultural Producers' Union and the Canadian Association of Dairy Producers expressed their anger and their frustration.

Mr. Pelletier: You were in Florida!

Mr. Wagner: I think this is a personal attack from the parliamentary secretary (Mr. Pelletier). I would like to advise the hon. member that I was absent from the House at that time on my doctor's instructions. I would have preferred to be here to face the government's unfair decisions.

The APU's publication, "Terre de chez-nous" judiciously pointed out, and I quote:

> In its national dairy policy, the government seems much more concerned with applying restrictions than promoting the establishment of a strong policy to protect both the dairy industry and the producer.

The milk producers from Quebec alone will loose this year, with this new policy, around $30 million. Not unlike the APU, one may fear that many dairy farms will be deserted and that many producers, particularly the younger ones, will go bankrupt, with all the economic and social consequences that such a disaster may cause. The Minister of Agriculture does not seem to be aware that his solution, namely the gradual integration of farm production in Quebec, does not meet the specific requirements of my province whose soil is generally poor and unsuitable for diversified agriculture.

In fact, in Quebec, 70 per cent of some 23,000 farm producers operate dairy farms. One sees therefore how hard a blow the new dairy policy will deal the economy of my province. The problems of the Quebec farmers and their colleagues in other provinces are compounded by the decision of the government to allow imports of 50 million pounds of cheese, without that same government having attempted to obtain, especially from the European Common Market, reciprocal treatment for Canadian dairy products.

Of all the requests made to the minister by the dairy producers, he has accepted only one in its entirety: he kept the subsidy at $2.66 a hundredweight. He did, theoretically, set a $1.45 price guarantee for industrial milk but, through the play of deductions, the minister in fact reduced the subsidy by half, not to mention the fact that he doubled, by increasing them from $0.65 to $1.35 a hundredweight, export fees on powdered milk. One therefore understands the ire of the dairy producers to whom the government refused true indexing of their production costs, a privilege granted other industrial sectors. One can therefore state in all fairness that the government's new dairy policy is a complete disaster for Quebec agriculture.

Those difficulties are heightened even more by the protracted conflict between Treasury Board and the veterinarians working for the government. I am told there are now 140 openings for veterinarians in the federal administration, and resignations are many among those experts who are indispensable to the health of both the public and our cattle. I therefore trust, Mr. Chairman, that the President of the Treasury Board and the Minister of Agriculture will join in their efforts to solve the problem, and thus ensure Canadian agriculture services that are necessary in every regard.

Before I resume my seat, I should like to call the attention of this House to two problems: one of a local nature and the other of a moral and economic nature. The Saint-Hyacinthe area is located in what is called the Montreal plain, the heart of the Quebec farming industry. The time has come for the federal government to reach an agreement with the Quebec government in order to lay the foundations of an integrated agricultural food industry. I urge particularly the Minister of Regional Economic Expansion (Mr. Lessard) who, I know, sympathizes with Quebec agriculture, and particularly in the area comprising the Saint-Hyacinthe riding.

The Montreal plain is already an important centre of vegetable and fruit farming; it compares with others as concerns large scale farming and feed grain production. It has a dairy industry of high potential and cattle production is possible on a large scale. In order to create this integrated agricultural food industry out of the basic elements we already have, it is essential first to zone farm lands in order to protect them against increasing urbanization. But some thought should also be given—and the Department of Regional Economic Expansion could play a role in this—to concentrate in that area those industries which depend on agriculture. I am thinking of processing plants, fertilizer or feed mills, farm equipment industries or even, if possible, of tanneries. As it already have a sugar beet refinery and a famous veterinary school, the Montreal plain and the Saint-Hyacinthe area might also become a centre of specialized farm teaching that could give employment to its graduates on farms or in plants processing farm products or by-products.

The other problem is of a moral, economic and administrative nature. It is the supply management problem as regards hunger in the world. While millions of men suffer from malnutrition, countries like ours periodically cut their food production because of a shortage of markets or of adequate mechanisms to help the famished.

Mr. Speaker, I am aware of the generous efforts made by Canada to help the hungry, but I am convinced—and the dairy policy is a good example—that the Canadian contribution to food assistance is still totally inadequate. In spite of our efforts and those of other industrialized countries, the fact is that the wealth of some people compared to the poverty of a great majority of human beings is a social scandal that should trouble our conscience.

Mr. Speaker, the disproportion between the wealth of some people and the distress of others should prompt us to find an answer without delay to the problem of assisting the famished. It is still the best way to ensure peace and stability in the world. Until we have learned to give without receiving, we shall not have put into practice that universal solidarity which is one of our national goals.

● (2020)

[*English*]

Mr. Whelan: Mr. Chairman, there have been three or four speakers so far. Some of them have asked questions and others have made statements, as did the hon. member

for Saint-Hyacinthe. I am surprised that he did not speak about all the good things we are doing in his constituency. We have just signed an agreement for a large agricultural complex in his area. Knowing him and how charitable he is politically, I am surprised that he has not mentioned that. I am also surprised that he has not mentioned the fact that we have entered into an agreement in his section of la belle province to assist them with their problems with surplus production because of weather conditions last year and not very high grade maple syrup. We did not have to enter into such an agreement but we did, and it resulted in half a million dollars to the people in his area. I am also surprised that he did not say how much money we are putting into the veterinary school at Saint-Hyacinthe. We are doing so much in his area, and he is saying so little about it!

Some hon. Members: Hear, hear!

Mr. Wagner: I only had 20 minutes.

Mr. Whelan: I would also say, Mr. Chairman, that the hon. member has made some pretty fatuous statements on the dairy policy. He is building up the hopes of the dairy producers, whether or not he realizes it, which he would not be doing if he realized the world-wide problem faced by all dairy producers and therefore by our producers also. Members of the European community show no sign of curtailing their production. Their surpluses are growing bigger and their treasuries are funding these surpluses. Some members of the European community are not too happy about that. For instance, West Germany does not have a dairy surplus, but they are contributing to the problem with the 1,600,000 tons of skim milk powder on the world markets at present. To suggest to producers that they should find a way of producing more of this commodity—a commodity which deteriorates—is deplorable, but in essense that is what the hon. member is suggesting.

The hon. member is suggesting also that I am encouraging production. We did not say that at all. We said to the producers that we would give them a decent income for their production, for their investment, for their labour, and for their managerial abilities. That is what we intend to do and that is what the producers will have under this program, that is, the producers who produce reasonable amounts of dairy products to take care of our necessities and of the export markets which we have developed over a period of years.

We must be realistic and recognize that the world price of skim milk powder dropped from over $1,400 a ton to less than $400 a ton in a little over a year. What is one supposed to do? We made an agreement with the producers. If the hon. member thinks it makes me feel good to say to the producers there will be a levy on their production, then he is mistaken. Let him not say that the federal government was not acting responsibly because we entered into that agreement. The producers knew what our production demands were.

The Canadian Dairy Commission has operated the industrial milk program successfully when compared with dairy operations in other parts of the world since 1966. They were in trouble one year, and now everybody says that there is utter chaos. This really makes me mad, Mr. Chairman. We are dealing here with a biological entity, a

cow. You cannot compare it to a factory where you can pull a switch and turn production on and off, turn people on and off, and put them on unemployment insurance. You cannot pull a switch on a cow, and you have to gear your production as best you know how.

I hear people criticizing the system we have now. Because of the perfect weather conditions, perfect pasture and perfect forage, things could not have been better last year and the productivity of this nation was high, plus the fact that farmers—and I know farmers as well, I think, or even a little better than the hon. member for Saint-Hyacinthe—used one third more dairy ration last year. Because of good haying and forage conditions we had the highest percentage of protein that has ever been measured. Protein makes good milk.

Dairy producers used one third more protein last year to get the most out of their cows. Some of them were told by the provincial milk marketing boards, "We know the agreement says that on April 1, 1976, your quota will be set and from then on you will be on a strict quota, so produce all you can." It was wrong for them to do that, and I told them so. I told them that in April when I announced the program last year, I told them that in June, and I told them that in September, but some of them did not pay much attention.

The hon. member has many producers in his area. The consumer and corporate affairs critic in his party from the Eastern Townships knows that producers there did not increase their production any more than 5 per cent. They are the ones who are being hurt most because they did not contribute to this problem, but they have to suffer the same as the ones who increased production by 40 per cent, 60 per cent, and even 80 per cent in some instances, knowing full well they will be in difficulty this year but hoping that there would be a quota by April 1, 1976. We just do not have the market for these products.

Hon. members should remember that only two years ago we were importing butter into this country. The Canadian Dairy Commission recommended that the Department of Industry, Trade and Commerce import 50 million pounds of butter so that butter producers would not be producing a surplus but there would be enough for the country's needs. We imported it from our Commonwealth neighbours and from some of the European countries to make sure we had butter, but now we have a supply of butter which is adequate for our own people. We do not have the great big surplus of butter some people are talking about. We can look after our needs in our own country. However, I want to repeat that neither I nor this government told them to increase their production. We said 5 per cent was all we wanted and all we could stand for the dairy year of 1975-76, and I can give some figures.

● (2030)

I gave some figures earlier, but we can go to the two main dairy producing provinces of Canada which produce industrial milk and compare April of last year against April of this year. Quebec is 20 per cent above last year, and Ontario is 15 per cent above last year. For the total nation as of the end of April of this year the figure is 15.9 per cent, nearly 16 per cent above last year. They are

getting their house in order; there is no doubt about that, as far as I am concerned.

The hon. member from the Creditiste party is not here now, but he said, when he brought in a motion before, that I smiled about his motion. If anything this politician gets criticized for, it is for not smiling enough because I look so sour, too gloomy and too worried all the time about what is going on. This is what I said when I got up to speak about the motion of the hon. member:

> Mr. Speaker, I congratulate the Social Credit party for raising the present topic for discussion this day. They have shown leadership in raising it. The other parties have not seen fit to talk about agriculture on their opposition days.

The hon. member for Elgin recognized how wise was the member from the Social Credit party, so he decided to take a day and talk about agriculture, but he has not been dishonest about what he is because he is an old dairy farmer. He now has a full time job; he has had to give up dairy farming because he is trying to be a studious member of parliament. I congratulate him. Many people do not know the sacrifices you make to be a member of parliament.

I do not think the problem the dairy farmers of Canada have at the present time is anything to laugh about, and if I was smiling that day it was not about the motion the hon. member brought into the House, that is for sure. It was not about the plight I find the dairy farmers in, but I could smile a little about it. However, I can become very angry about it when I hear some of the things some people in Canada are saying about dairy farmers and about what we did. Those people never once recognized that the dairy farmers are very productive, but they suggest that the producers should give away their products because they are so productive. Who else in society do we find who tries to do that?

Have hon. members ever heard of a daily newspaper with 5,000 extra copies at night giving them to a senior citizens home, a hospital, or to the disabled? Like hell they do. They do not give them away, or even sell them at half price. They shred them up because if they did not do that it might hurt their market. But we are supposed to be different. Why—because we are peasants, because we are farmers, or because we are producing food?

Have hon. members ever heard of Chrylser, Ford or anyone else doing the same thing, or have they ever heard of it being done with any other article? Even hon. members of my own party suggest that, which is damned, utter nonsense as far as I am concerned. I was at the Auto Parts Manufacturers Association meeting a little while ago, and they were talking about supply management. I asked whether they build parts for Ford, Chrysler, General Motors, American Motors or International Harvester and hope they are going to buy them. They said, "Do you think we are nuts? We do not turn a wheel until we have an order, and when that order is filled, we pull a switch and put the workers out on unemployment insurance if we do not have other jobs". However, when it comes to agriculture, we are different, we are super, and we can live on nothing.

It costs just as much to produce a surplus pound of milk as it does to produce a pound of milk which has a home. It does not cost a bit less, but the producers in the dairy industry have become more proficient than they ever were in the history of this nation.

In 1968 there were 150,000 dairy producers. In 1976 there are 87,000 dairy producers. Twelve years ago there were three million cows giving the same amount of milk as two million cows do in Canada today. Efficiency? Yes, but where else in society can that be found? I want to make sure that hon. members on all sides of this House tell the story fairly and squarely about what the dairy producers are doing. This product belongs to the dairy producers of Canada, not to the Government of Canada, and the dairy producers from all over Canada are the ones who sat down in the Sir John Carling Building and decided that this problem must be solved. The producers got into this problem, not solely but mainly, by themselves, and they decided to solve this problem. They knew it would cost them to solve it, but they are solving it because production is coming back in line.

The hon. member for Kamloops-Cariboo raised a question about the research station in Kamloops. The research branch intends to fill that position just as soon as we can identify a suitable candidate, hopefully by next week or the week after. There has been no reduction in the efforts at Kamloops since the entomology group was moved to Lethbridge several years ago. No other reduction is planned. Kamploops works very closely with the Lethbridge scientists on the range management program.

I know hon. members may know that the hon. member for Kamloops-Cariboo chairs a committee of this House, but if they want to read one of the best books ever written by a researcher they should read the one by the hon. member for Kamloops-Cariboo about range management. I do not know if he worked at Kamloops, but I never knew he wrote that until I went to an international meeting between Canada, Mexico, and the United States at Tucson, Arizona, and there was the book by the hon. member and another researcher from western Canada. However, one of them was our very own member for Kamloops-Cariboo.

Moving to what the hon. member for Medicine Hat said, he talked about stabilization. He said the Agriculture Stabilization Act is no panacea for the beef cattle industry. He said the cattle support should be no higher than the 90 per cent index. I am just a little confused. That does not sound very consistent to me. The hon. member talked about the government being off and on with regard to the beef program.

I want to say something about the Canadian Cattlemen's Association. An official in the Canadian Cattlemen's Association corrected me when I said that some of our programs have meant at least $100 million more to Canadian cattlemen in stabilizing their industry. He wrote me a letter and said that I was wrong. He said, of all things—and I am sure some hon. members opposite will know better—that I was being too conservative. He said that the programs I implemented, at the request of the association in most instances, to make sure that the beef industry stayed healthy and alive meant more like $200 million. That is what a top official of the Canadian Cattlemen's Association said.

The hon. member talked about the six provinces which have cow-calf programs. I hope the hon. member was not saying that those provincial ministers of agriculture do not know what they are doing, because they have gone ahead

with these programs. The hon. member for Kamloops-Cariboo pointed out earlier that when there was a vote in British Columbia, well over two-thirds of the cattlemen there voted in favour of participation in the program which the province of British Columbia had put forward. There has since been a change in government there, and the present provincial minister of agriculture recently wrote me a letter saying that B.C. intends to continue this program of income insurance for the beef cattle people and the cow-calf producers, but he wants to know when there will be a federal program to participate in.

Moving on to Alberta, 50 per cent of the beef cattle produced in Canada is produced there. The minister of agriculture in Alberta says he wants this kind of program. He wants some kind of national program. Moving on to Saskatchewan, the minister and the premier in Saskatchewan, as well as the premier of Alberta, say that there should be a national program.

The Canadian Federation of Agriculture recently came before the cabinet, and the president of Saskatchewan Federation of Agriculture was there. He said he wants this program and that this was endorsed by 1,600 people at the rural municipalities annual meeting in Saskatchewan, with not one dissenting vote. I asked him whether there was someone there from the Saskatchewan Stockgrowers or from the Canadian Cattlemen's Association who voted against it, and he said there was not a dissenting vote. I repeated, "Was there any member?" He said that he was the president of the Saskatchewan Federation of Agriculture and a member of the Saskatchewan Stockgrowers' Association, but that they do not speak for all the cattlemen in Saskatchewan or for all the cattlemen in western Canada. So the issue is becoming confusing, and it is becoming more difficult for me.

● (2040)

The hon. member talked about the North American market for beef as if it were the only one in the world. Let me tell him that I returned from a meeting at which representatives of the United States, Mexico, Canada, Central American, Caribbean and Latin American countries tried to develop a program for aiding Latin American countries. There were to be horizontal working agreements between some of the developing countries of the area and the have countries were to help the have-nots.

The hon. member for Medicine Hat thinks that we should consider solely the North American market. Perhaps we should, in the case of live cattle. I ask the hon. member to look at it this way: the World Band and North American banks lent Uruguay over $80 million to help that country build a big processing and cold storage plant; and the bottom dropped out of the beef market. Beef slumped. Next consider Panama, Guatemala, and other countries of that region. The United States encouraged them to go into beef production. What happened to them? All their producers are disillusioned and dissatisfied, because now they are broke. They borrowed money from the World Bank, from the Latin American banks, the International Development Bank, and from other banks, in order to enter the cattle business; and now they are broke. And what help do those countries now seek of us? They want us to help eradicate foot and mouth disease. Why? So that they can ship beef to developing countries. Therefore, if the hon. member thinks that we are concerned solely about the North American market, he is mistaken.

[Mr. Whelan.]

Let me refer the hon. member to what happened in the Australian market. If I am wrong I hope the hon. member will correct me, but I think he said that the Australians were shipping beef here for 15 cents a pound less than they are selling it in the U.S.A. They may have done that at one time; we made representations to them. We do not know why they did it. We believe it was done during a time when Australia was using incentives for exporters to find markets, they were required to export to a third market before they could earn the right to ship to the U.S.A. Under that incentive program, if producers shipped so many pounds to certain other countries they were given a certain beef quota for the United States. Therefore they shipped to Canada at 15 cents below what they were charging in the United States.

Mr. Hargrave: They still do it.

Mr. Whelan: They are not supposed to be doing it. They are breaking the agreement if they are. If they are, they certainly are not living up to their agreement as Commonwealth traders and fellow-Commonwealth trading partners, as far as I am concerned. We shall tell them that. But I have seen no facts to substantiate the hon. member's claim.

This incentive program led to lower prices for Australian beef in Canada than the United States. Australia removed Canada as a country in which credit could be earned for exports to the U.S.A., and prices are moving to a normal differential between the U.S.A. and Canada as far as we are concerned.

I am trying to answer questions as quickly as I can. I believe the hon. member suggested that we have accepted a reduced figure for meat exports to the United States. We have not accepted any figure. There are no quotas, although I saw quotas alluded to in two press reports. There are no quotas on poundage as between Canada and the United States. I repeat, there are no quotas this year. We will be exchanging estimates of trade in meat between the two countries and will watch developments during the coming year. If they get out of balance, our officials are to meet. That is the kind of agreement we entered into. No figures at all were used in it. I saw this alluded to twice in the press and saw it on the television media. I immediately checked with my officials and said, "We agreed to no figures." They said, "No, and we don't know where the media people got them."

The hon. member referred to the December press release and implied that we had something akin to a meat import law. My reference was to maintaining meat imports under a general meat import licence, and the Export and Import Permits Act—

The Acting Chairman (Mr. Béchard): Order, please. I must interrupt the minister—

Mr. Whelan: I have finished, Sir.

The Acting Chairman (Mr. Béchard): —whose time has expired.

Mr. Whelan: Mr. Chairman, on a point of order, I wonder if I might answer one more question.

The Acting Chairman (Mr. Béchard): The minister may answer only if he has the unanimous consent of the committee. Is there unanimous consent?

Some hon. Members: Agreed.

An hon. Member: No.

The Acting Chairman (Mr. Béchard): There is not unanimous consent.

An hon. Member: Jack Murta said no.

[*Translation*]

Mr. Allard: Mr. Chairman, I simply wish to say a few words about the dairy industry in Canada. Needless to say that according to the latest statistics, this sector has badly deteriorated ever since the beginning of the year. During the present dairy year, the surpluses of industrial milk will reach almost 1.5 billion pounds, and in order to reduce production, the Minister of Agriculture (Mr. Whelan) could not find anything better than to apply quotas, to resort to a quota system which penalizes those who will overproduce.

The minister merely wants production to equal demand. In other words, he wants to match supply and demand. But I wonder, Mr. Chairman, if he really wondered whether the real demand was adequately met.

I am thinking for instance of those children throughout the country who do not get enough milk, butter and cheese. I wonder whether the minister thought of the people in Montreal and other cities who live in slums, of the children who do not drink enough milk every day.

Not too long ago, I moved a motion under Standing Order 43, urging the government to distribute free milk in all schools and, as usual, members of his party rejected it. Therefore, Mr. Chairman, I wonder what the minister intends to do with the milk surpluses. The best he could think of was to apply quotas.

First, the Canadian Dairy Commission imposes quotas at random and does not bother to do an adequate marketing; in my opinion, we might for instance distribute our milk surpluses, swap products with other countries like the Arabs and exchange our milk products and our food surpluses either for oil, coffee or tea. There is no doubt that it could be possible during those exchanges to do some trading to satisfy the needs of countries stricken by hunger and here we could easily exchange this kind of products.

The minister said that we could not put a switch on a cow and turn it off whenever we want to. I would answer him that a cow is not a tap which we can opened or closed at will.

We are now imposing quotas and I sincerely believe, Mr. Chairman, that it is an insult to mother nature to do so, to pay western farmers to refrain from seeding and so on; I could also tell him that nature takes its revenge and it is almost a blasphemy today to live in a country which is immensely rich and to see that our system compels the minister to impose quotas.

● (2050)

All our surplus products could very well be stocked for future years which may be tougher, for years of scarcity when we call on nature to produce milk, to produce wheat and when nature fails to answer the call. I think we would be well advised to stock all our surplus products and give it to poor countries, or exchange them for something else, as I said earlier. One must keep in mind that crops are conditioned either by the weather, seasons which are shorter or colder, the harvesting season which may be affected by rains or early frosts, and sickness which alter the production in general.

In my opinion, the monthly quota is raving madness. Why not quotas for each milking, morning and night. More civil servants would be needed for the controls, which would permit the civil service to grow. That is sheer madness, you may say. Not worse than the monthly quota system. Farm production quotas of any kind are total nonsense in our twentieth century context of famine, provety and disease. When the government paid wheat producers to reduce their wheat acreage, they simply financed scarcity, they financed a reduction of wealth.

When the government confronts milk producers with a system of quotas they do not reflect all the natural factors that can influence production such as those I listed earlier. They reflect neither the real needs of Canadians nor those of the peoples of the world. If they applied realistic policies allowing every Canadian to be adequately fed according to his needs, if they curtailed all unnecessary imports, namely cheese, eggs and all kinds of products, beef, etc., truly there would be underproduction, providing of course that all Canadian and world needs were met.

If we were to give a discount on all basic products to every Canadian family, a discount on Canadian products, especially to families most in need, certainly the overall consumption of Canadian farm products would increase. We would not then have to go the length of imposing those nonsensical quotas.

The government is using a bureaucrat kind, a paper kind, a high level official kind, a restrictive kind of laws. Too often they are antinatural they do not meet with current and future needs of the people. The government should have nothing else than an advisory role on farm product marketing boards. These boards should be under the direct control of farmers. I would like to point out that milk consumption in Quebec went down 33 per cent since 1972, I mean in 1955, average consumption was 133 quarts, while in 1974 it was 42 quarts, down 33 per cent.

Mr. Chairman, we in the Social Credit Party view milk, cheese and bread as vital food items to maintain childrens and old age people's health and prevent disease, this is also true of everyone else. Therefore, we urge the government once more to take immediate steps to restore the astronomical prices of milk, cheese and bread to the 1972 level.

On March 2, as I said, I urged in this House that the government take steps to have milk distributed in schools and universities, instead of coke and cream soda. As usual the answer was no. Mr. Chairman, per capita milk consumption is now 71 quarts in Quebec, as against 91 quarts in Ontario, the neighbouring province. There is no ques-

tion that milk must take a foremost part in young peoples' eating habits.

We, of the Social Credit Party, believe that one way to help dairy farmers would be to emphasize research as concerns a greater utilization of milk so as to offer consummers new dairay products. Moreover, to encourage milk consumption, we seriously believe that the government should give a discount on prices to consumers, which would be compensated for the producers by the issue of new credits by the Bank of Canada so as to prevent any tax increase and meet the true aim of production, which is consumption.

We sincerely believe that a healthy farming community is essential to the success of our national economy. The government must protect and encourage our dairy farmers. The agricultural market should be based on freely negotiated interprovincial agreements. The federal government should no longer be allowed to play dictator in this area.

[*English*]

Mr. Hamilton (Swift Current-Maple Creek): Mr. Chairman, during the supper hour I read a very interesting article in the May 22 *Financial Post*. It was written by Dr. John Shepherd, Executive Director of the Science Council of Canada. He states that at a time when we face the most significant technical challenges in our history, science and technology are at a low ebb. I certainly think that any cutbacks in our agricultural research at this time would be tragic. We need to regain our leadership with new and improved varieties, particularly in cereal grain.

Dr. Shepherd says that one of the mythologies about Canada is that we are a storehouse of natural resources, that Canada has endless acres of arable land and huge surpluses of food to feed a starving world. He goes on about our imbalance in trade. He says that by the mid-1980's Canada could well face horrendous deficits which could be compensated for only by significant increases of exports of raw materials and agricultural products.

He further points out that although we have two billion acres of land, actually a very small percentage, 13 per cent, is classed as agricultural and only 42 per cent of that 13 per cent is suitable for commercial crops. He concludes by saying, and I quote:

> One has only to envisage the inevitable external pressures which will be placed on Canada's food system. The arguments of Lester Brown of the Worldwatch Institute are persuasive. Between 1934 and 1976, four of the six major grain exporting areas of the world have become net importers of food. As the world grain reserves since 1961 have shrunk steadily from 105 days to a projected 31 days for 1976, so the reliance upon North American exports has become almost total.

It strikes me that with the great need of the world for food and fibre, coupled with the tremendous increased productivity of our two agricultural industries, the U.S.A. and Canada should cease petty rivalries and start co-operating in food and fibre production and developing markets.

After some disastrous attempts at trying to prevent Canadian farmers from attempting to produce too much, grain in particular, the government is still woefully unprepared for the new era in which we do not seem able to produce quite enough. This new era has arrived with dramatic swiftness.

Some 18 months ago the World Food Conference in Rome ended. We should use it as a benchmark. For the first time all the components are now in the grain industry on a world-wide basis. By this I mean no country will purposely let its people starve. Russia and China are now in on a regular and on-going basis. Russia will not be a stabilizing influence on the market because of her great production swings in the wheat growing areas. We do not have to be reminded of that. Grain policy will pretty well set livestock policy in this country.

Of all our industries, none is subject to more increasing political control than farming. Management decisions have to be made against a background of laws and regulations which control the scope for initiative and enterprise. It seems we are faced with more and more government control.

I wish to quote from a report by the Canadian Federation of Agriculture, commenting on the final report of the Food Prices Review Board, a public body. I quote:

> Focusing our comments on this report to only the substance and recommendations has called for great restraint. Seldom if ever have we seen a document produced at public expense which is so laden with bias, innuendo, unsubstantiated allegation, and in so many ways stunningly smug, self-congratulatory, contradictory, misleading, and possessed of an animus toward all—both in government and out—who are involved in, or interested in farm policy. We think it is unfortunate that the board chose to conclude its existence with a report of this nature.

● (2100)

They talked about the board's recommendations for feed grains. The government put in place a subsidy program like the two-price system on wheat. Let us take a look at the two-price system on wheat. This is a system under which farmers are asked to absorb any difference between the $5 subsidized price and the export price. The export price remained at about $5 from September, 1973, to May, 1974, and producers absorbed a loss of some 85 cents a bushel, the federal government picking up the $1.75 per bushel. This meant that the grain producers of Western Canada subsidized the bread eaters of this country to the tune of about $55 million in that period. All this was going on at the time when a wrapper around a loaf of bread was probably worth as much as the wheat which went to make up the loaf.

The Prices Review Board proposed management of domestic grain prices. They are proposing government intervention to control domestic grain prices and create a domestic feed grains and livestock industry insulated from world prices. Such an intervention, which would essentially amount to the subsidization of livestock and livestock products, would unquestionably lead to massive planning of the grain and livestock sectors. It would, of course, involve the over-all planning and management of the entire agricultural economy, the likes of which were never, never contemplated nor desired, and the consequences of which would be great and far-reaching.

There is no question that the Minister of Agriculture is dedicated to the agricultural supply management concept. It was summed up in his speech at Kelowna, B. C. earlier this year when the hon. gentleman said, "The free market system has not worked to the benefit of the agricultural producer... the free market system has never existed in Canadian agriculture. So far, the supply management

system is the best we have come up with. I am a supporter of the supply management system and I intend to continue promoting it." Mr. Chairman, I should like to know the basis for that statement. I, too, am a believer in supply management, but I believe in supply management at the producers' level where a quarter of a million producers make the supply management decisions, not a handful of people.

The European Economic Community has been in favour of supply management for years, and their agriculture is in a mess. Agriculture in the USSR has been under total control since the first world war, and as a result that country has gone from a surplus position to a deficit position as far as agricultural products are concerned. The United States has by far and away the best record in the world, and it is one which is certainly not based on supply management. Give the producers the best possible information available and let them make the decisions.

It is interesting to note that while our average annual wheat crop in the past five years has been about 500 million bushels we have exported an average of 470 million bushels each year and used another 170 million bushels at home, for a total of 640 million bushels. These figures show there has been a deficit of about 85 million bushels each year. Whatever the scientists' feelings are with regard to long term weather trends, they agree that the world's climate is entering a period of widely felt varying conditions which will make the planning of agricultural production extremely difficult. Unless by some happy circumstance we produce an unusually large high-quality crop in 1976, the Canadian Wheat Board's overseas sales staff will have to be very cautious.

In Canada we seem to operate on the basis of the Boy Scout idea of doing our good deed, which is to open up Canada to all overseas goods and for us to live off the exports of raw materials. This philosophy was followed in the years of the Pearson government, incidentally by the people who gave in to the first 30 per cent wage settlements. The question now is this: are Canadian agricultural products being put on the block in return for trade-offs in industrial goods? What concerns me is the fact that antiquated low tariff levels permit foreign food products to flood Canadian food markets and undercut Canadian producers. We have only to look at such examples as the entry of soya beans into Canada from the United States duty-free. In contrast, soya beans shipped from Canada to the United States are subject to a tariff of 60 cents per bushel.

Last year Ontario had a surplus of peaches. If canned peaches are exported to the United States, the duty to be paid amounts to $1.90 per case. Canada's duty on American peaches is only 63 cents per case. Canada admits corn from south of the border at a tariff of 8 cents per bushel, but Canadian exporters must pay a 25 cents tariff to export Canadian corn.

We are at a point now in Canada where the only products we can market internationally are grains and oilseeds. We do sell some things to the United States, and small amounts of pork to Japan, but apart from this we are pretty well out of the international market. Agriculture needs help and lots of it.

After the great fuss over the new Farm Credit Corporation legislation, what do we find? We find the government completely reversing itself. The situation now is that only farmers demonstrating extreme need can qualify for FCC loans in 1976-77. Loan allocations will drop by 42 per cent this year to some $370 million from last year's level of $641 million. I would point out that of last year's loans about two thirds went to farmers under 35 years of age, which is exactly what the act was designed to accomplish.

Surely it is time we made a distinction in this country between economic activities such as agriculture, which produces commodities, and those which do not. I have said many times in this House that our senior civil servants are disdainful of trade. No real importance is attached to marketing. There is no drive. Look at the present surpluses of powdered milk. There is no doubt in my mind that if the correct action had been taken when the stocks of powdered milk first began to accumulate, we would have had no great difficulty about disposing of them around the world.

Recently, Mr. Chairman, a real milestone in labour relations was reached by Canada's west coast ports. This was the substitution of voluntary arbitration for disruptive strikes and lock-outs. Grain handlers and elevator companies have agreed to mediation under an arbitration process, which promises to keep prairie grain flowing through those ports at least as far as labour and management in this sector of the grain system are concerned. It is significant that the government should have shown no leadership in this area whatsoever. After a long period of bad relations between labour and management, the best it could do was impose a settlement. Our customers, particularly Japan and China, complained bitterly about late grain shipments. We lost business to the United States port of Seattle.

The success of this latest move by labour and management is significant for all of Canada. It is the first acceptance by a major industry under federal jurisdiction of a mediation arbitration technique. It took a number of members from this side of the House to initiate the project. Six of us went to Vancouver and met with the parties involved to find out the facts, weigh the feelings on both sides, and try to bring the parties together. The federal government did not enter the picture for 14 months.

There is another question which is of great concern to farmers and it concerns land valuation. December, 1971, was V-Day for that purpose, and as most members know on that date farms were selling at the lowest prices for years simply because there were no grain quotas, no grain sales. Farmers could not even meet their expenses let alone pay for land. So valuation day prices were many times below what they should have been. Nowadays, with the cost of everything else going up, these valuation day prices seem particularly unfair to farmers who are subject to capital gains tax if they sell their land at more than the valuation day assessment.

● (2110)

About a week ago I noted with some concern a press report indicating that the government is pinning its survival hopes on a food policy, and that this policy will put heavy emphasis on getting food prices reduced. Several days ago when the deputy minister of agriculture was in front of the standing committee he indicated to the committee that he was not aware of such plans and that so far

agriculture had not been involved in any policy discussions. There is surely cause to ponder there.

Our expensive stabilization schemes just do not seem to be doing the job, Mr. Chairman. As I have said before, they have brought Canadian agriculture to the state that we now have only one commodity, grains, that can be merchandised internationally. Surely to bring us into a competitive situation the government should be looking more and more at income tax as a vehicle for helping agriculture in this country.

I should just like to quote what one farmer has said about the latest stabilization scheme that the minister is trying to sell western Canada. He writes:

I'll offer a deal to Mr. Lang. I won't put up that $500 cash for the stabilization plan (I'll pay off my note at the Credit Union instead) and he won't have to squeeze the general Canadian taxpayer for the $1,000 he has promised to put up on my behalf should I go belly up. That way we'll all save money.

It seems to me, Mr. Chairman, that we started down the slippery slope several years ago when the federal government task force on agriculture indicated that there was no real future for western agriculture in particular, and proposed restricted production for the prairies. This task force report was accepted by the government.

Since the railways have to plan years ahead, they looked to their operation and decided that, as a result of government policy, it would be necessary to reduce their services in Manitoba, Saskatchewan and Alberta. This led to their filing for abandonment of most of their branch lines in western Canada.

It was a technical requirement of the act that the railways had to file an application for abandonment with the Canadian Transport Commission to be eligible for a subsidy, and of course they did so in regard to almost every branch line that we have. However, the uproar as a result of this transportation policy and the LIFT program forced the government in Ottawa to act. It declared a five-year freeze on rail abandonment, which expired January 1, 1975, but has since been renewed. But the grain companies still do not know where the lines are going to be or where they can build because the railways do not know which lines are going to be retained. In addition, we have discontent over federal feed grain policy. Western producers generally feel that it costs too little to move western feed grain east.

However, the real threat facing the prairie livestock industry is perhaps not a grain freight rate inequity; it is the possibility that national market sharing agreements will hamstring prairie hog and cattle feeders next time grain is cheap and they want to expand production.

A national marketing plan would allow them only limited access to eastern markets in this country. It could also require import restrictions, which in turn would be sure to bring retaliatory action from the United States. The U.S. market is the closest and potentially the largest outlet for prairie livestock and meat. This market is desperately needed. However, it seems some policy makers in Ottawa would like to do away with this. This seems to be the biggest threat to prairie livestock producers and grain growers at the present time, and it is a threat that they must guard against.

There are some basic questions that have to be answered and, I suggest the first is this: are farmers in a business like any other? In short, we want to know where we are going in Canadian agriculture and what the targets are. Full, efficient agricultural production in Canada is a necessary fact of life.

[Mr. Hamilton (Swift Current-Maple Creek).]

Mr. O'Connell: Mr. Chairman, I intend to enter only briefly into this debate on the estimates of the Department of Agriculture and I wish to raise three or four of what appear to me to be concerns, as a parliamentarian from an urban constituency. The first is the problem of insuring that young people will find farming an attractive occupation and will make every effort to go into agriculture at a time when other opportunities may appear to be more attractive to them.

I also find that many constituents are concerned about the alleged disappearance of our prime farm land, land that would produce food. I want to know from the minister, if he has an opportunity to tell us, what he has been able to do about this matter. I want to raise the matter of purchase of farm land increasingly by foreigners, and I will raise the matter in terms of the Foreign Investment Review Agency and whether or not there is a role there for it to play in deciding whether such purchases are in Canada's interests.

Then finally, I will raise a matter that the minister may find somewhat vexing but which I think is in its right perspective as a supportive suggestion, namely, that consumers be found recognized places on marketing boards.

If I may begin with the question of young people being attracted to farming, I know this is more than a question of credit. But what I would appreciate knowing is how successful are the efforts made by farm credit institutions to put funds in the hands of young people in order to encourage them to become another generation that will own farm land and enter agriculture. What proportion of farm credit loans are going to people who are, say, younger than 40, or in the middle or younger age groups? If the efforts have been unsuccessful then we should look at further ways to encourage the younger generation. In city constituencies we are told that the farm population at the moment is aging. I am not sure what the average age is, but I believe it is in the middle fifties. Farming is a strenuous occupation and we must have a group coming up behind.

In addition to the question of credit there is the preservation of our prime farm land. As I understand it, technically speaking "prime farm land" means land that is classified in the Canada lands inventory as Nos. 1, 2 and 3. We have a very limited amount of prime farm land. I believe it is correct to say that almost one half of our No. 1 farm land in Canada is in southern Ontario.

Southern Ontario is going through a very rapid urbanizing and industrializing process, but surely preserving our No. 1 farm land is in the national interest. I suggest the question is larger than the province of Ontario which has jurisdiction over land use planning. I would therefore ask the Minister of Agriculture just what perspective his department has in this regard.

● (2120)

We hear these frightening stories about how much No. 1 farm land goes out of production almost every hour. We hear the counter argument that a certain amount come back in. No. 1 farm land is land that will grow almost

anything because of moisture content and warmth and the number of frost-free days, and things of that kind. I am told there is no No. 1 farm land in the Atlantic provinces, for example. The land there starts at perhaps No. 2. Here therefore is a precious resource of great interest to the consumers and to people in urban centres. What is this process of urbanization and industralization doing to our farm land? Industrialists and land developers will pay more per acre for this land than the farmer can pay, and the land will produce more investment for them than it will for the farmer under current production.

More important, before we accept the minister's estimates, what is he doing to raise at the federal-provincial level this basic concern? Once this land is gone, it is probably gone forever. Does the minister participate in any federal-provincial meetings on land use planning? If he does, what is his contribution to these meetings, and how are they progressing from the minister's point of view? Perhaps he already does, but let me put it as a question; would the minister not find as one of his responsibilities to urge that the two levels of government meet frequently at land use planning conferences in order to arrive at some national objectives in respect of land use in which the agricultural interests would be paramount? These conferences could consider the activities of our own federal government which also uses land, for example for airports often near major cities, and major cities are usually built where the best land is. What agricultural interest is there in respect of federal use of lands, and what guidelines do the two levels of government use to guide us in the use of land, particularly agricultural land?

Would the minister accept as useful the proposition that certain land of high classification be set aside in agricultural preserves or reserves to be used exclusively for agricultural purposes and denied to urban, industrial and other purposes? Would he find that a useful proposition? And would land banking for agricultural purposes make as much sense as land banking for housing or urban growth? If so, is there a federal role in land banking?

I associate the concern of urban persons and consumers for the protection of farm land with their willingness to see income stabilization of a generous kind to farmers, because it is very much in the interest of consumers that agricultural incomes be such that the farmers will indeed stay on the land to produce food and other products. Therefore their incomes ought to rise with general incomes and ought to be stabilized because of the unique character of agriculture, subject so much to the weather, to international markets, and to wide price fluctuation. The interest in preserving that land is also an interest in seeing that it is profitable to use it in agriculture. Therefore I am sure I can say to the minister that city people want income stabilization programs for agriculture.

Let me raise the question of foreign ownership before I come to my last concern, Mr. Chairman. Without knowing, I believe there is an increasing amount of purchase of farm land in Canada by foreigners. Perhaps we are not unduly concerned at this stage about it, but I understand they are willing to pay more than Canadians for this land. What do they see that we do not see? Is it that our agricultural programs are not satisfactory to Canadians, or sufficiently attractive to keep them in farming? Is it that they recognize a world problem that we are not fully adjusted to in our policies? Do they know better than we that not only Canada will need increasing food against disappearing land but so will the world and, therefore, they are placing themselves in a position in our country into which we do not seem to be able to attract Canadians?

Is farm land of concern to the Federal Foreign Investments Review Agency? If that is not the case, does the minister feel it ought to be and, if so, what sort of guidelines would be applicable? The agency's responsibility is to see that foreign purchases are of benefit to Canadians. Is the foreign purchase of farm land, particularly prime land, in the interest of Canadians?

Finally I would like to suggest that farmers would be reassured to have consumers on their marketing boards. Consumers want to have the assurance that these marketing boards, when they control supply and when they regulate price, as they must from time to time, are acting in the general interest as well as in the particular interest. The best way to give them that assurance is to make a place for consumers on agricultural marketing boards, even as I think there is a very strong agricultural interest in being represented on other boards. There is a suspicion which is hard to dispel, but which can probably be readily explained, that marketing boards may act unduly in the interests of producers. Most consumers feel that farmers must be given protection for the reasons I have already mentioned, but they would like to have that extra assurance that this is fair to everyone, and I think that means participation. With those remarks I conclude, Mr. Chairman.

Mr. Mitges: Mr. Chairman, my contribution to this very important debate tonight will dwell mainly on the maintenance and protection of the health of our livestock industry in Canada. I am referring, of course, to the veterinarians employed by the Health of Animals Branch of the Department of Agriculture. We all know these veterinarians are responsible for testing animals for contagious diseases, maintaining inspection services at meat packing plants, testing cattle sold to other nations, and maintaining inspection of all animals and meat imports.

Our services are recognized throughout the world, and they provide not only control measures in respect of many animal diseases, and those animal diseases transmissible to man, but at the same time open the door to many millions of dollars worth of exports of livestock and livestock products. Because up to now we have had such a tight grip on disease control we export livestock and livestock products to more countries than any other country in the world. At last count we sold livestock and products to approximately 125 countries, with a dollar value of close to $1 billion. It is the veterinary profession, working through the Health of Animals Branch, that has given Canada the opportunity of becoming the world's number one supplier of beef and dairy breeding stock.

Wiping out costly diseases has saved farmers many millions of dollars as they are able to put more meat of high quality on the retail shelf. In return, consumers have saved money at the meat counter.

Effective legislation to protect Canadian livestock was one of the first important agricultural acts passed by the

Government of Canada back in 1867. Since that time our animal and health protection standards have gained worldwide envy. The need to maintain this position and to advance with modern scientific and technological achievements has been recognized by the passing of the Animal Contagious Diseases Act. However, the responsibility attending such legislation can only be effectively discharged by utilizing adequate numbers of competent and skilled professional staff. But, despite increased responsibility of the veterinary staff of the Health of Animals Branch, there are at present approximately 150 established positions that are unfilled. Twenty-one per cent of the veterinary staff employed by the Health of Animals Branch are over 57 years of age, while 70 per cent are over 40 years of age. A projection of anticipated retirement separation up to 1980 indicates a recruitment requirement of 233 during the same period, just to maintain staff numbers without giving consideration to unfilled positions.

● (2130)

During the past five years 242 veterinarians have been hired and 142 have left the service. The average age of recent employees suggests an unsatisfactory recruitment of younger veterinarians. A similar problem exists in other departments. For example, in the Health Protection Branch 58 per cent of the veterinary staff are over 51 years of age.

Considering the additional problem that modern transportation places on contagious diseases control, we should expect that additional veterinarians will be required in the Contagious Diseases Division of the Health of Animals Branch. Coinciding with this will be increased workloads in the Animal Pathology Division, which will necessitate the employment of more veterinarians. Therefore a solution must be found for the present low recruitment rate if Canada's livestock industry is to maintain its present favourable health position in the world market.

In studying this problem it is the opinion that insufficient use is being made of the veterinarians' professional skills at the working level. This inevitably destroys morale and professional satisfaction. There is little evidence that members of the staff receive much encouragement, or are given adequate opportunity to improve their professional development.

With the present classification each department has special problems. For example, promotion within the Contagious Diseases Division of the Health of Animals Branch is restricted. Eighty per cent of veterinarians are classified within the VS1 and VS2 groups. Any remuneration commensurate with demonstrated ability or long useful service is not recognized as such a classification. This, naturally, discourages incentive. The current position in regard to the relative pay of professional staff and primary products inspectors may reflect more successful bartering on behalf of the larger group of primary products inspectors than the Professional Institute of the Public Service of Canada was able to achieve for veterinarians.

There is no doubt that this overlapping has caused a serious outcry of dissatisfaction from the professional staff. It is incongruous that many of the jobs classified in the federal service's veterinary positions, which require six years of post-secondary education, are not worth a great deal more financially, maybe not even as much, as those occupied by persons with only secondary school training.

[Mr. Mitges.]

A recent survey carried out by the Health of Animals Branch revealed that salaries and professional fulfillment were the two areas of major concern to veterinarians. In order to achieve high levels of productivity it is essential that an environment be created to improve morale and provide a challenge to the professional knowledge and skills of the incumbents, and a scale of rewards related to responsibility and productivity.

I would suggest that serious consideration be given to promoting better career progression of veterinarians within the public service. There should be a wider classification that recognizes the complexity of the work, the kind of assignments, demonstrated ability, as well as seniority and excellence in the job. A system should be adopted in which each classification has a salary floor, but not a maximum. This will permit an outstanding individual in one classification level to receive increments above the floor of the next higher category.

The present pay scale should be reviewed to reflect the extensive training, professional training, responsibilities and skills required for job performance. There is no question that a serious shortage of government veterinarians has threatened to undermine health standards for animals and meat across Canada. So far this shortage has only caused economic difficulties in meat packing and livestock industries. But as the situation continues to deteriorate inspection services may be reduced to the danger level, and the health of the nation's livestock may be jeopardized. Not only that but the vacancies mean that some government responsibilities cannot be met.

This situation is particularly sad because veterinarians in the Health of Animals Branch are now trying to test cattle for brucellosis before they are turned out to pasture, where any infection will spread more rapidly from herd to herd. They are trying to cope with a major outbreak of blue tongue in the Okanagan Valley in British Columbia. They are trying to maintain inspection services at meat packing plants. They are trying to serve the demands of exporters to test cattle sold to other nations. They are trying to maintain inspection services on all animals and meat imports.

A breakdown in any area could prove disastrous. For example, in the 1950's when the dreaded hoof and mouth disease slipped through the border inspection net in Saskatchewan, Canadian beef farmers lost an estimated $50 million. Some say the loss amounted to about $250 million because no nation would accept our animals and meat during the outbreak, and that reduced the value of the nation's entire cattle population. A breakdown in meat packing inspection could threaten the health of consumers and jeopardize export markets. A breakdown in brucellosis, blue tongue, tuberculosis and other disease-testing and control measures could threaten the health of all animals, and again export markets.

We have already lost our market for semen amounting to millions of dollars, thanks to the recent blue tongue outbreaks. As a result of this outbreak of blue tongue in the Okanagan Valley, the federal government is moving veterinarians from across the nation to that area to test cattle as quickly as possible to prevent any further spread.

So far, about 4,300 cattle have been tested and 800 condemned for slaughter. The veterinarians have to move quickly so that the disease does not spread. This involves taking staff away from other important priority areas.

Aggravating this whole problem is the current salary negotiations between the veterinarians' union and the federal government Treasury Board. More militant veterinarians are now working to rule. Salary negotiations with Treasury Board have broken down. December 28, 1975, was the final date of the last contract with the government. The Treasury Board has offered a salary increase of between 8 per cent and 9 per cent, in spite of the fact that veterinarians' salaries have not kept up with inflation for the last four to five years. Treasury Board's excuse is that it cannot exceed the AIB guidelines. It makes one wonder if they are using the federal veterinarians as scapegoats in their vain attempt to be perceived as if they are trying to hold the line.

The veterinarians have conducted a work to rule campaign. So far there has not been any extensive disruption of service, unlike in the Post Office in past years, which seems to indicate that the veterinarians do certainly take their jobs seriously. The veterinarians maintain, and rightly so, that they have a historical relationship with primary products inspectors. The primary products inspectors work under the veterinarians at meat packing plants. They need only a grade 12 education compared to the veterinarians' six years of university. Yet with the new contract they are now being paid almost as much as veterinarians, and some even a little more than veterinarians.

The PPI's new contract was signed last October, and in it they received a 10½ per cent increase, yet the Treasury Board is offering only an 8 per cent to 9 per cent increase to the veterinarians. Historically the veterinarians have earned proportionately more than the PPI's. The veterinarians maintain that they can legally exceed the guidelines because of the historical relationship with the PPI's and because of a 27 per cent vacancy rate of veterinarians with Agriculture Canada.

The AIB states that a group of employees can be exempted from the guidelines if there is a 20 per cent or more vacancy rate in a department. In spite of this, the Treasury Board intends to ask that their dispute with the veterinarians go to conciliation. Once the conciliators have been selected, and a conciliation report prepared, each side can either accept or refuse the conciliation report's recommendations. If the recommendations are unacceptable, then the veterinarians could legally strike seven days after the report is handed down.

Canada cannot afford to have these veterinarians strike. There has been, and will continue to be, a heavy run of cattle, approximately 70,000 per week, and other slaughter animals to the meat packing plants. Since from 85 per cent to 90 per cent of all Canada's slaughtered animals go through federally inspected plants, these plants would have to close within a week if the veterinarians went on strike. As a result, 25,000 employees would have to be laid off. The producers would be hurt, not only by increasing feeding costs but also by the damage done to their animals through the delay in slaughter.

● (2140)

Furthermore, a strike would ruin the pricing structure for slaughtered animals. As meat supplies dry up prices would invariably rise, to the detriment of the consumer. And once the strike is ended there would likely be a glut of slaughtered animals coming to market, which would mean that the producers would receive less money.

The veterinarians in the Health of Animals Branch deserve a better all round deal. If the Treasury Board is unwilling to grant them more, then perhaps Agriculture Canada could be encouraged to reclassify them upwards.

It should be noted that 77 per cent of the veterinarians fall within the two lowest pay levels. In contrast, the provinces have most of their veterinarians working in the higher pay levels.

The Canadian Veterinarian Medical Association and the other provincial associations, including the Ontario Veterinarian Association, are backing the federal veterinarians 100 per cent. They are in complete sympathy with them and understand the factors that have led to their action. The associations recognize that their current state of affairs is the direct result of the federal government's failure to respond to repeated requests to undertake a full and complete investigation of the professional role of the veterinarians, assuring them that their professional skills are not under-utilized and that they are given recognition for those skills by a constant upward classification of their jobs.

The associations have communicated and will continue to communicate with producer groups such as the Canadian Cattlemen's Association, the Meat Packers Council, the Pork Producers Marketing Board, the Ontario Poultry Council, as well as companies in the meat processing industry—urging them to request the government to reach an immediate agreement with the Professional Institute of the Public Service of Canada, the negotiating agent for the veterinarians in their salary dispute.

The veterinary associations will continue to work with these and other interested groups, using all of their resources, as they feel this approach will produce a resolution to the current state of affairs on a long-term basis, which will be in the best interests of the public, the professionals involved, and the federal government.

In conclusion, Mr. Chairman, if the federal government expects to maintain and improve the high quality of veterinary services in Canada, this can only be accomplished by providing a climate which will attract and retain qualified people in jobs which should be both challenging and financially rewarding.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I rise on a point of order. As hon. members are aware, we are operating under a rule which calls on you, Sir, to bring this debate to an end at 9.45 p.m. The purpose of that rule is to allow 15 minutes in case there is to be a recorded vote. I understand—and I think my understanding is correct—that no such recorded vote is to be forced this evening, and I would like to suggest that you not see the clock for another 12 or 14 minutes so that some other speakers might take part in the debate. I could not be more impartial in

making this request because in this party we are not seeking any further opportunities to speak tonight.

Mr. Blais: Mr. Chairman, I rise on the same point of order. That would be agreeable, and I think the House leader of the Official Opposition agrees as well.

Mr. Baker (Grenville-Carleton): I would like to thank the hon. member for Winnipeg North Centre and the parliamentary secretary for the courtesy.

The Deputy Chairman: Is there unanimous consent that we do not see the clock until 10 p.m.?

Some hon. Members: Agreed.

Mr. Whelan: Mr. Chairman, I would like to try to answer as many as possible of the questions that have been put to me, and also to make some comments on some of the statements that have been made. First of all the hon. member for Swift Current-Maple Creek has made some statements that should be corrected. He spoke about petty politics between Canada and the United States. I had the impression he favoured free trade. He also spoke about duty on soya beans and some of the other products coming from the United States, which is much higher than ours. This is something that many people do not seem to understand. They think the United States is a free trading nation, but the fact is that they are probably one of the most protective nations in the world so far as their agricultural industry is concerned. Let me give as an example their meat importing laws, their tariff on corn, soya beans, vegetable oil, seeds of all kinds, and wool. I could give a list of about 30 agricultural products on which their duty is higher than ours.

Then the hon. member made some statements about the money we are spending on research. Let me say that from 1974-1975 to 1976-1977 the money we gave for research went up from $74 million to practically $100 million. We are putting more money into universities and more money into research. Our total on contracts increased to $2.1 million and our total for universities increased to $1.3 million.

Then the hon. member said that the European Community had supply management. I do not know where the hon. member for Swift Current-Maple Creek got that. The members of the European Community do not have supply management and that is why, out of their total budget, which amounts to about $9.5 billion, they spend about $7.5 billion on agriculture, and with their surplus products they try to salvage the situation.

Then the hon. member made a comparison with Russia and said that Russia had supply management. I think this is a most unfair comparison. The USSR has no real system which would provide any incentive for a producer to be productive, and that is why their agriculture will never really be efficient. There is nothing that I intend to do to any marketing board that would take away from our people. Even the hon. member for Medicine Hat recognized that when he said our stabilization program assisted farmers to the tune of 90 per cent of the previous five years' average market price and the cost input was taken into account. This would not make millionaires of producers but it will prevent them from going bankrupt.

[Mr. Knowles (Winnipeg North Centre).]

If I am accused of anything, it is of putting forward programs that create too much incentive for over production. If hon. members will remember, I stated that if I were in Russia I would be given a medal for the over production we have here. They have fired their minister of agriculture there because he could not get production.

Mr. Paproski: Mr. Chairman, we still have one speaker who would like to say a few words—the hon. member for Joliette. If we could allow him to say a few words now, then perhaps the minister could wind up the debate. He has been here all evening.

Mr. Whelan: Some hon. members on both sides of the House have asked important questions and I am trying to answer them as quickly as possible. I will do my utmost to give a few members a few minutes at the end. I think it is unfair that we are not allowed to correct some of the statements that are made.

I spoke about the hon. member who made the comparison. That is one of the things that people are so amazed about, that in Canadian agriculture there are so few people who are producing so much. Marketing boards have been with us since 1926, two years less than the age of the Minister of Agriculture. That is quite a long time. They have made agriculture productive and they have protected the little farmer so he can stay in business.

I am sure the hon. member remembers what started the Canadian Wheat Board, the greatest marketing system in the world for cereal grains, a supply management system. You cannot rush grains to the market if the Canadian Wheat Board cannot sell them, so you are put on a quota. Even the former chairman of the Food Prices Review Board said it was the ideal thing. There is no better system in the world than that marketing board. It is not socialism. The hon. member would not dare suggest in his riding that marketing boards should be banned, nor would he suggest that the Canadian Grain Commission should be banned. That was started by the government of 1935, the grain commission and wheat board, to protect the interests of those farmers because they were being taken down the river for a merry ride. I just think we should be fair when we are talking about some of these things.

● (2150)

I believe it was the hon. member for Rimouski who made a certain statement, but he is not in the House so I do not know if I should bother trying to answer his question. He said monthly milk quotas were stupid, and I think it should be put on the record that we want 12 months of production per year. If producers produce all their milk in three months and sell their cows, they will have the subsidy for the whole year and their whole quota, and there would be utter chaos. There would be no supply management at all. Nothing could be more stupid than to suggest filling a quota in five or six months, quit milking cows and then ship the cattle to the slaughterhouse.

The hon. member talked about slums in Montreal. Montreal has Expo and—what do you call that other thing—the Olympics, and I am suggesting that, by God, if Montreal can have those things, it can feed skim milk powder to the people in Montreal and in the province of Quebec. I said when the hon. member was not here that Nova Scotia is

doing that, and Nova Scotia is a much smaller province. If Montreal wants to work with the Minister of National Health and Welfare, he has told me that he is willing to try to work out programs, but they should not ask the farmers of Canada to do it alone. Let total society do it.

Another hon. member, who is not here either, asked many questions, and then went out. He is a city slicker.

Mr. Baker (Grenville-Carleton): He is a member from your side, the hon. member for Scarborough East.

Mr. Whelan: He wanted to know about young farmers and what I would suggest we should do to attract them to farming. I can tell the hon. member that since 1973 more young farmers have stayed in agriculture and more have gone back to it than was the case for 25 years in Canada.

Some hon. Members: Hear, hear!

Mr. Whelan: Why have they gone back? Because they have confidence in this government's agricultural program, the stabilization program, marketing boards guaranteeing stabilization, and the Farm Credit Corporation making it possible for them to get money. They could not get it before, and now 65 per cent of the loans from the Farm Credit Corporation are going to young people under the age of 35 years.

The hon. member talked about farm lands owned by foreigners and whether we should be controlling that. He also talked about land use. The Department of the Environment, under the Minister of the Environment, is leading the provincial environmental ministers and working in very close co-operation with the federal Department of Agriculture and provincial departments of agriculture to try to work out a sensible land use policy for agriculture. I just want to ask the hon. member who asked this question about land use whether we should just say it shall be held for agriculture. I see he is coming back. He was getting hell while he was outside.

We are not going to get people interested in agriculture by saying that a particular piece of land must remain in agriculture and that they are going to stay on it. That is what they try to do in Russia and other countries, and they wonder why we have productivity. We cannot do that and expect productivity unless we can make sure producers get their proper return. I agree with the hon. member that pretty well every acre which can be cultivated is under cultivation, but we could increase productivity in many areas by as much as 50 per cent in five years with better horticultural practices, better seed, better fertilizer, better drainage and all the things. However, there had better be a better economic base to entice them to do that so that they will be protected.

The hon. member asked another question about foreigners. The provinces have the right to stop foreigners from owning land. The only condition under which the federal government can become involved is if the land is worth over $250,000, and the Minister of Industry, Trade and Commerce through FIRA can make some representations and discourage them, or tell them they cannot have it unless they comply with the rules.

I think something should be done because land in Canada is still cheap when we compare it to the $30,000 per acre in our money in Holland for productive land. When we go to the southwestern part of Ontario, orchard land costs $1,500 per acre, and for a person from Holland that is very inexpensive.

Mr. Paproski: Come on, Gene.

Mr. Whelan: The hon. member mentioned consumers being on marketing boards. I am in favour of that. I was against it at one time, but they are strong representatives, especially if they are from labour.

[*Translation*]

Mr. La Salle: Mr. Chairman, my comments will have to be very brief. I would still like to make a few points, and I am greatly honoured to speak after the minister. I had the impression that the minister was very embarrassed by the answers he had to give. I must admit that he wants to help farmers. I would also like to say that he has made some efforts to stabilize the farming industry. But as I have not much time, I shall not quote many statistics. I would however like to remind the minister that despite all the efforts of this gouvernment, despite all the goodwill that he showed tonight, despite his efforts to reply to the recommendations or accusations made since this afternoon, it still remains that we find ourselves in a very difficult situation.

Why is it that even though the government talks about its best system, about an ever-improving production, and one which is the best in the world per producer, nearly all groups are dissatisfied? It is important for the minister to know this.

There are neither wonder solutions nor easy solutions. But let me remind you and let me insist particularly—and others have spoken about it before me—on the situation of the dairy producers in Quebec. Whatever the minister may have said in the House today, last year, because of a very favourable weather, we had excess production. The way things are going, this situation will not happen again. To my mind, the minister should study this really particular situation we had last year and try to improve the situation of the industrial milk producers. I know that the system is different in various provinces but in Quebec there is a situation of fact and we have enough members opposite to indicate to the minister the importance of the problems that now face the industrial milk producers.

So what are they going to do? Are they going to let them sell part of their herds? Are they going to let the producers keep on sending their herds to auctions? I think these questions should be asked and the Federation of Industrial Milk Producers of Quebec has certainly very serious reasons to ask for the resignation of the CDC. If the minister means that the Quebec federation is wrong, he should say so. If he means that an important part of the dairy production of Quebec should be lost, he should also say so. I think it is important that all these questions be answered and it is also important that the CDC seriously consider the difficulties that face the milk producers in Quebec. Mr. Chairman, I would have many other things to say but I understand by your last sign that we are nearing ten o'clock. May I say that it is ten o'clock?

[*English*]

The Deputy Chairman: Order, please. It being after 9.45 p.m. it is my duty, pursuant to section 9(a) and 9(c) of Standing Order 58, to interrupt these proceedings and to

put forthwith every question necessary to dispose of the proceedings.

Shall Agriculture—Vote 1 carry?

Some hon. Members: Agreed.

Agriculture—Vote 1 agreed to.

The Deputy Chairman: Shall I report the resolution?

Some hon. Members: Agreed.

Resolution reported and concurred in.

● (2200)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

VETERANS AFFAIRS—SUGGESTED PROVISION OF PRO-RATED PENSION FOR WIDOWS OF PENSIONERS WHOSE DISABILITY WAS LESS THAN 48 PER CENT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, on Monday, May 17, as recorded in *Hansard*, page 13561, I put the following question to my hon. friend, the Minister of Veterans Affairs (Mr. MacDonald):

> Now that Bill C-92, which provides compensation for Canadian veterans who were pensioners of war, is in effect, will the minister and his department study the possibility of bringing in legislation to implement one of the recommendations of the Seventh Report of the Standing Committee on Veterans Affairs which was not included in Bill C-92, namely, the provision of pro-rated pensions for widows of veterans where the veteran's disability pension was less than 48 per cent.

I was grateful to the minister on Monday for at least leaving the door open, and I am grateful to him for being here this evening for this late show when we are discussing this important question.

A great deal of gratitude is being expressed by veterans in this country for Bill C-92, which provides compensation for former prisoners of war. But there are some who are aware of the fact that when the Standing Committee on Veterans Affairs recommended the provisions which are now in Bill C-92, it also recommended what was implied in my question, that the Pension Act should be amended to provide pro-rated pensions for widows of veterans where the veteran's disability pension was less than 48 per cent. As hon. members are aware, if a veteran was on a pension of 48 per cent or more, his widow draws a full widow's pension under the Pension Act. But if the veteran's disability pension was less than 48 per cent, the widow is cut off completely from any widow's pension as a matter of right.

This matter has been the subject of discussion for many years, and I can say that in recent years the Standing Committee on Veterans Affairs has recommended, at least three or perhaps four times, a provision such as the one contained in the report we tabled on June 12, 1975.

The minister is aware of the arguments, just as I am, and I shall not try to repeat them tonight; but I do feel that now that we have Bill C-92 on the statute books, this piece of unfinished business should be raised again so that we can press the minister to push hard for it both in the department and with his colleagues in cabinet. It seems most unfair that there is this cut-off point. None of us has ever suggested that the widow's pension should be 100 per cent in the case where the veteran's disability pension was of a low percentage but we are suggesting that where the veteran's disability pension was below 48 per cent there should be a pro-rated pension for the widow of that veteran.

I appeal to the minister's concern in this matter, to his well established sympathy for veterans' widows, and to the capacity he has shown to win at least some gains from his fellow cabinet ministers.

Before I sit down may I remind the minister that in my supplementary question the other day I also referred to the fact that, although the committee had recommended that the compensation for prisoners of war should be available to all former prisoners of war, the act as it is now on the statute books covers only those who were prisoners of war in World War II. The number of World War I veterans who were prisoners and are still alive is now very limited and I hope consideration may be given to covering them, as well, under an amended form of Bill C-92.

I again thank the minister for coming back this evening to hear my pleas on these two points. I do not expect an answer tonight as to when legislation is going to be introduced, but I do express the hope that he will work hard on these two important points.

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, it is a pleasure to reply to the question by the hon. member for Winnipeg North Centre (Mr. Knowles) regarding the suggested provision of pro-rated pensions for widows of pensioners whose disability was less than 48 per cent.

I am aware, and the government is aware, that recommendations have been made to provide pro rata pensions for widows of disability pensioners. At the present time a widow will be pensioned if her husband's death was attributable to service or was incurred during wartime. In addition, if her husband's pensionable disabilities were assessed at 48 per cent or more during his lifetime, she would be eligible for widow's pension.

I believe that percentage was selected because at that rate they were obviously seriously disabled and it was considered that the pensionable condition might play a part, however small, in the pensioner's death. On the other hand, if someone is pensioned at 5 per cent for flat feet and dies from a different cause, his death bears no relationship to his pensioned condition and the question arises as to whether a pension should be paid for an unrelated death.

Canada does not take a back seat to any country in so far as our pension legislation is concerned. The benefits we provide for the disabled serviceman or woman or their surviving dependants are far greater than those provided

by most other countries. I am not aware of any of our major western wartime allies who pay automatic survivor benefits to widows on any basis even approaching the 48 per cent basis which we in Canada use.

Having said that, I must also say that the entire matter of veterans benefits, and that includes pro rated widow's pensions, is always under constant review by the Department of Veterans Affairs and by the Canadian Pension Commission and the other agencies of my ministry, to see what changes can be made to improve the lot of the veterans and their dependants.

IMMIGRATION—IMPLEMENTATION OF RECOMMENDATIONS OF DUBÉ INQUIRY—GOVERNMENT POSITION

Hon. Stanley Haidasz (Parkdale): Mr. Speaker, since 1973 the federal government has been conducting intensively a comprehensive review of Canada's immigration policy. With the publication of the green paper on immigration in December, 1974, the final report of the Special Joint Committee on Immigration Policy in November, 1975, and the Economic Council of Canada reports "Options for Growth" in 1975 and "People and Jobs Study" in 1976, the government should have sufficient information and enough recommendations for an up to date Immigration Act helping to direct the flow of future immigrants and the population growth in our country.

Canada's exceptional economic growth is due not just to good governments, but above all to its human resources—the brave, hardworking settlers from France, the United Kingdom, Ireland, and other countries of Europe, and from other continents. The energies and talents of these settlers and of the immigrants who followed them are making an increasing contribution to the development, defence, and prosperity of Canada. Today new pressures and needs have arisen and they are clamouring for attention and solution which we should provide without fear because we are a nation with sufficient diversity and richness, as well as productive capacity, and an awareness of our international responsibilities. Therefore there is no reason to further delay action in this matter.

It is becoming more and more urgent to deal quickly with these new problems, the results of our anachronistic, obsolescent, and unfair laws, regulations and attitudes. The Minister of Manpower and Immigration (Mr. Andras) has promised us a new Immigration Act for this fall. In the meantime problems, abuses, frustration and, indeed, personal tragedies are piling up. As a result Judge Claire L'Heureux-Dubé was appointed special commissioner to conduct an inquiry into certain problems in the Department of Manpower and Immigration.

● (2210)

In January, 1976, the commissioner submitted a report outlining just a few flagrant shortcomings and recommending ways in which the minister should, on an urgent basis, put some order into the application of current regulations and practices. Among others, the commissioner made statements urging improvements in the legal representation available to visitors, and recommending the expansion of legal aid plans as well as the establishment of a system of control over those representing persons dealing with the immigration department in order to ensure a standard of competence and ethics.

The commissioner called attention in paragraph 370 of the report to the need to prevent the exploitation of persons wishing to become landed immigrants by ensuring adequate information services both here and abroad. There is a great need to provide appropriate information in the language of the visitor and of the potential immigrant to Canada. Furthermore, there is even today a lack of sufficient numbers of expert interpreters whose services are available to people seeking assistance from the Immigration Department.

Another serious aspect of the immigration issue is the working of the appeal system. I should like to refer to the testimony of the chairperson of the Immigration Appeal Board before the Special Joint Committee on September 23, 1975, which revealed that the appeal system is, and I quote:

—unnecessarily complex, cumbersome and unjust and that the present appeal system to the Board in relation to refugees and citizenship claims is a shambles, and something has to be done about it.

The chairperson of the Appeal Board went on to make at least three very good recommendations. We are all waiting for long overdue action on these recommendations, for justice delayed is justice denied.

[*Translation*]

Mr. Arthur Portelance (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, Judge l'Heureux-Dubé has clearly indicated in her report that the legislation in force in 1972 had given rise to some problems at that time. Since then however, the Immigration Act and its regulations as well as the Immigration Appeal Board Act have been substantially altered to correct some problems mentioned in the report of Judge Dubé. The changes are briefly as follows:

a) In November 1972, any individual who wanted to immigrate to Canada had to file an application to one of our offices abroad; b) during the same year, some regulations concerning employment visas were enforced to enable the department to control the number of non-immigrants accepting employment in Canada; c) in 1973, the Immigration Appeal Board Act was amended to restrict the right of appeal to some group of persons; d) in 1974, amendments were brought to the immigration regulations so that the selection procedure would be more responsive to the needs of the labour market.

The actions taken following Judge Dubé's report are as follows: a) four of the six persons judged severely by the report no longer work for the department, and the disciplinary actions recommended in the report were taken against the other two. Briefly here are the disciplinary measures taken in each case:

1. Laurence Doirion—fired

2. Georges-Étienne Desrochers—retired before the report was published

3. Brian Purdon—fired

4. Vic Bellemare—fired

5. Gaston Therrien—suspended (10 days)

6. R. Primeau—severely admonished

b) Selection procedures for the training and supervision of immigration officers were improved, and we intend to do more in this area. c) We followed the recommendation whereby we should increase our investigation and enforcement methods. d) To protect work visa holders against exploitation we took the following steps: First, regularly check working conditions; second, consider the possibility of imposing severe penalties to employers posting false employment conditions; third, give the employment visa holder a letter explaining to him his rights, his salary and the employment conditions that the employer undertook to respect.

Following the Dubé report certain policies are now subject to revision: the l'Heureux-Dubé report clearly expresses the opinion—which we share—that our legislation on immigration is outmoded and behind the times. So all efforts are being coordinated to introduce as soon as possible in this House a new legislation on immigration. However, we are now reviewing a number of recommendations contained in the report to be able to bring about the necessary corrections. So here is in a concise form the steps we took on the basis of those recommendations:

1—The department is expanding its training program and considering the systems used in Britain and the United States.

2—We are amending the regulations and guidelines applicable to applications for permanent residence by "businessmen".

3—Improvement has already been brought about to ensure better checks at ports of entry and more efficient methods of investigation.

4—We are considering the possibilities of requiring a visa from visitors from countries from which come a substantial number of people without legal immigrant status. Indeed, that problem is part of a much larger situation.

5—Setting up a system whereby employers must check the right to work of an applicant before hiring him; that procedure requires changes to the legislation and regulations, and the use—

[*English*]

The Acting Speaker (Mr. Turner): Order, please. I regret I have to interrupt the parliamentary secretary but his allotted time has expired.

IMMIGRATION—REQUEST FOR EARLY DECISION ON APPLICATION OF STEVEN BADGER FOR LANDED IMMIGRANT STATUS

Mr. Jake Epp (Provencher): Mr. Speaker, this afternoon I asked the Minister of Manpower and Immigration (Mr. Andras) whether he would review the application for landed immigrant status of one Steve Badger, and Australian citizen who wants to swim for the Canadian Olympic team. Support for this view has come from many supporters of Canada's Olympic effort. In fact it is backed by the Canadian Olympic Association, it has been backed by various editorials, and it has been backed by various newspaper articles. Badger himself has said that he cannot afford the price of a plane ticket back to Australia, and he hopes to stay in Canada to take out Canadian citizenship and become a Canadian citizen.

[Mr. Portelance.]

Added to that, Mr. Speaker, he has received job offers both from national and provincial swimming associations. If he had the opportunity of reapplying outside of Canada, as he did in San Francisco a little while ago, he would in fact qualify under all the terms of the Immigration Act. Not only that but the Department of National Health and Welfare expends millions of dollars encouraging fitness and participaction. Our Olympic athletes are supported by that department and I know that the officials of that department would like to see Steve Badger swim for Canada.

This afternoon the minister tried to sluff off his responsibilities and brought out the so-called Commonwealth switch, arguing that if Badger wants to become a citizen of Canada, if Bill C-20 is passed three years' residency would be necessary before he could do so, so he still could not swim for Canada in 1976. Mr. Speaker, that simply is not true. Under the IOC rules, section 28(4) provides that he would do so only one year after the date on which the person concerned last represented his former country, but in this case only with the agreement of the two national sports federations, the approval of the relevant international federation, and the permission of the IOC.

Steve Badger has also received permission from the Australian Olympic Committee. He has received permission from the Canadian Olympic Committee. These two bodies have talked to FINA, which is in charge of the international scene, and FINA has told them that once the documentation is in its hands IOC approval should be forthcoming and it sees absolutely no problem. And so, Mr. Speaker, citizenship is not the issue.

The real issue is this. The minister does not want to take a new look at this situation. He says that he does not want to make exceptions. I want to show the House the exceptions that the department is making which are a travesty and a shame.

● (2220)

A document from the minister received in my office today shows that last year, 1975, 21,202 ministerial approvals were made, and I should like to refer to some of them. There were 468 approvals of persons who had been convicted or admitted to having committed crimes involving moral terpitude; there were seven approvals of prostitutes, homosexuals or persons living off the avails of prostitution or homosexuality; 52 persons using, selling or distributing drugs, and one person likely to engage in activity detrimental to the security of Canada. There were 20,304 persons who could not or did not comply with any of the conditions or regulations of the Immigration Act or the regulations and orders under it.

If I sound agitated today it is because I am. I am incredulous at what has gone on in the Department of Immigration. Is this the type of people we want? The minister has the power to change the whole situation. Mr. Badger could swim for Canada. He could win a medal, the Canadian flag could be raised at the Olympic site and the anthem could be played. He could be representing us, but he is not good enough for the administration or the department, but apparently pimps, prostitutes, and others who are likely to be a risk to our security are acceptable.

I simply want to conclude by saying I do not want a stock answer from the parliamentary secretary. I want him to review this case. Let me quote one paragraph from the Winnipeg *Tribune* of May 8 as follows:

> Surely officials of this department can lift their noses out of their sacred rule books and see before them a young man who has said he wants to swim for Canada, wants to practice law in Canada after graduation, and most important, wants to help other young Canadian swimmers. Or is Canada over-stocked with individuals of such special abilities?

What are we doing in this country? There are people who are willing to contribute and offer support. In fact there is a petition which came from Winnipeg today with 5,000 names. They know Steve Badger. They know he wants to qualify and can fulfil the requirements. He cannot qualify, but someone who has broken the law apparently can. Mr. Speaker, I want an answer.

[*Translation*]

Mr. Arthur Portelance (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, I would like to explain briefly the remarks made this afternoon by the Minister of Manpower and Immigration (Mr. Andras) in answer to the question of the hon. member for Provencher (Mr. Epp) concerning Mr. Steven Badger. First I want to make it clear that the present immigrant status enjoyed by Mr. Badger is not corollary to his eventually becoming a member of the Canadian Olympic swimming team. The latter case is exclusively subject to the Olympic rules.

These rules first require that competitors be citizens of the country they represent. Under the Canadian citizenship legislation, Mr. Badger would therefore have, in order to apply for citizenship in our country, to have been a resident in Canada for five years. However, a more recent Olympic ruling applicable to the citizens of the Commonwealth travelling to member countries might allow Mr. Badger to swim with the Canadian Olympic team. Once again, the immigrant status of Mr. Badger in Canada would not be the deciding factor.

I should like to add certain facts pertaining to Mr. Badger's wish to obtain landed immigrant status in Canada: Mr. Badger first came to Canada as a student in November 1974. In September 1975, he went to our office in San Fransisco and applied for permanent residence in Canada. He then gave an address in Kansas City, though he lived in Canada under his status as a student. The request was therefore turned down since, as a student, Mr. Badger did not meet all selection criteria as an immigrant.

On February 17, 1976, Mr. Badger got in touch with our office in Winnipeg and requested permanent entry in Canada without leaving the country. We explained to Mr. Badger that he could not be allowed in as an immigrant. Humanitarian considerations alone could justify an exception to Canadian immigration criteria, and this case does not seem to involve any.

The eligibility of Mr. Badger for landed immigrant status does not depend at all on his success or his failure to become a member of our Olympic team.

According to the selection procedure, the people of all countries—except for sponsored people and refugees—must meet the same criteria to become immigrants. Mr. Badger is free to make his application at one of our offices abroad. If he did so, his case would be evaluated as in September last according to the criteria and his ability to become an immigrant would then be decided upon.

[*English*]

May I just add a few words concerning one of the remarks of the hon. member for Provencher in respect of the list of special permits. I would refer him to the Minutes of Proceedings and Evidence of the committee of last Tuesday afternoon. At that committee an explanation was given concerning the reason these permits were issued.

Motion agreed to and the House adjourned at 10.27 p.m.

HOUSE OF COMMONS

Friday, May 21, 1976

The House met at 11 a.m.

ROUTINE PROCEEDINGS

[*English*]

AGRICULTURE

SUGGESTED DESIGNATION OF MARKETING AGENCY AS FIRST RECEIVER OF IMPORTED EGGS—MOTION UNDER S.O. 43

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, I ask leave to put forward a motion under the terms of Standing Order 43. In the light of an apparently unique opportunity to benefit egg producers through reduced producer levels while simultaneously benefiting consumers through lower retail prices by the alternation of egg import policies, I move, seconded by the hon. member for Huron-Middlesex (Mr. McKinley):

That the government designate the Canadian Egg Marketing Agency as the applicant and first receiver of all imported eggs.

Mr. Speaker: Such a motion pursuant to Standing Order 43 can be presented only with the unanimous consent of the House. Is there such consent?

Some hon. Members: No!

* * *

TRANSPORT

REQUEST FOR DELAY OF INCREASE IN RATE ON RAPESEED PENDING CONSULTATION—MOTION UNDER S.O. 43

Mr. Jack Murta (Lisgar): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of utmost importance to Western Canada, that being the recent order in council of the federal government which will increase freight rates applicable to the movement of rapeseed products and which will in turn have the effect of curtailing one of Western Canada's most promising industries, namely, rapeseed processing. I move, seconded by the hon. member for Churchill (Mr. Smith):

That the Ministry of Transport refrain from any such move until thorough consultation can take place between the affected parties in Western Canada and the question of rate structures can be examined in detail by the Standing Committee on Transportation of this House.

Mr. Speaker: Pursuant to Standing Order 43 the motion requires unanimous consent. Is there unanimous consent?

Some hon. Members: No.

[*Translation*]

AIR TRANSPORT

SUGGESTED APPROVAL OF USE OF FRENCH IN AIR-TO-GROUND COMMUNICATIONS IN QUEBEC—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, pursuant to the provisions of Standing Order 43, I request the unanimous consent of the House to move a motion concerning a matter of urgent and pressing necessity.

Considering that French is one of the official languages of Canada, that it is even the primary language of work in Quebec, considering that French-speaking pilots request the authorization to use French in air-to-ground communications, at least within the limits of Quebec, and that it has been shown that the use of French can sometimes become an important security factor, as indicated in the statement by Arvida pilot Marcel Deschamps who could save his own life, that of a passenger and his aircraft thanks to the cooperation of the military air controller at CFB Bagotville and of the captain of military helicopter 08 who both agreed to speak French, I move, seconded by the hon. member for Rimouski (Mr. Allard):

That the House unanimously approve the use of French in air communications over Quebec territory.

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Pursuant to the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; therefore the motion cannot be put.

Mr. Matte: I did not hear anybody say no!

* * *

[*English*]

EXTERNAL AFFAIRS

SUGGESTED REPRESENTATIONS TO SOVIET AUTHORITIES TO PREVENT INCARCERATION OF MR. MOROZ IN PSYCHIATRIC INSTITUTION—MOTION UNDER S.O. 43

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I rise under the provisions of Standing Order 43 to raise a matter of urgent and pressing necessity. The Ukrainian historian Valentyn Moroz who for a number of years has been in a Soviet prison, has recently been transferred to a psychiatric institution for later transfer to a prison psychiatric hospital. His wife has made an appeal to the West to

prevent this transfer from occurring, since she believes he is not mentally ill.

I move, seconded by the hon. member for Fundy-Royal (Mr. Fairweather):

That the Parliament of Canada, through the office of the Secretary of State for External Affairs, make a representation to the Soviet authorities on humanitarian grounds with a view to preventing Mr. Moroz from being incarcerated in a psychiatric institution.

Mr. Speaker: Such a motion pursuant to Standing Order 43 cannot be presented to the House in the absence of unanimous consent. I might add that, in line with the ruling I made last week I have some serious misgivings about the jurisdictional aspect of this proposed motion—

An hon. Member: No!

Mr. Speaker: In any case, there not being consent, the motion cannot be put.

* * *

● (1110)

OLYMPIC GAMES

REQUEST FOR INVESTIGATION OF ALLEGED IRREGULARITIES IN SALE AND DISTRIBUTION OF LOTTERY TICKETS—MOTION UNDER S.O. 43

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, under the provisions of Standing Order 43, I rise to move a motion of urgent and pressing necessity relating to irregularities in the sale and distribution of Olympic lottery tickets and also to the fact that, in the second to last lottery draw, there were 980,000 unsold tickets which remained on the computers, thus reducing considerably the chances of winning of ticket purchasers across the country. For the sake of public protection I would move, seconded by the hon. member for Parry Sound-Muskoka (Mr. Darling):

That this House instruct the Solicitor General to look into the aspects of irregularities relating to the sale and distribution of Olympic lottery tickets and confirm whether or not members of the RCMP are in fact investigating these irregularities, particularly the case relating to one Marcel Lambert of Montreal—

Some hon. Members: Oh, oh!

Mr. Jelinek:

—not to be confused with the illustrious member—

Mr. Speaker: Order, please. I think we have to exercise caution that the content of a motion pursuant to Standing Order 43 is sufficient to expose the urgency of the matter without embarking upon a debate of any sort. I think the hon. member has developed sufficient information to demonstrate the urgency of the motion.

Mr. Jelinek: Then, may I reword the motion, Mr. Speaker. I move that the Solicitor General look into these irregularities—

—and further obtain from the offices of Samson, Blair and Associates in Place Victoria in Montreal the records of the last lottery draw in order to determine the actuarial soundness and fairness of the Olympic lottery program.

[Mr. Yewchuk.]

Mr. Speaker: Order, please. A motion pursuant to Standing Order 43 can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

HOUSE OF COMMONS

PRESENCE IN GALLERY OF HUNGARIAN PARLIAMENTARY DELEGATION

Mr. Speaker: Before beginning the oral question period I know all hon. members would want to join with me in briefly calling attention to the presence in our gallery of a very distinguished group of visitors, namely, a delegation from the Hungarian National Assembly, led by their very distinguished Deputy Speaker, Mr. János Péter.

Some hon. Members: Hear, hear!

ORAL QUESTION PERIOD

[*English*]

NORTHERN AFFAIRS

ALLEGEDLY PREJUDICIAL EFFECT OF NEW OIL AND GAS LAND REGULATIONS ON SETTLEMENT OF NATIVE LAND CLAIMS—PAYMENT OF ROYALTIES TO NATIVES

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development but in his absence I will direct it to the Prime Minister. It relates to the statement of policy on the proposed petroleum and natural gas act and the new Canada oil and gas land regulations tabled Wednesday afternoon by the Minister of Energy, Mines and Resources. In view of the fact that the new policy is a joint statement by the Minister of Energy, Mines and Resources and the Minister of Indian Affairs and Northern Development and there is no reference whatever to northerners, in particular to the native people, and in view of the fact that the policy is one of exploitation of the north and northerners for southern needs without an over-all strategy for development of the north, would the Prime Minister not agree that this policy will prejudice responsible land claims settlements in the north?

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

Mr. Holmes: A supplementary question, Mr. Speaker. Notwithstanding the fact that the Prime Minister and the Minister of Indian Affairs and Northern Development have skated around this most important issue, I should like to ask the Prime Minister whether there is any provision in the new policy for the advancement of royalties to native people and, if not, will such provisions be included in the proposed legislation that we are to see at a later date?

Mr. Trudeau: Mr. Speaker, these matters are being discussed in various forums, some of which I described a few days ago. In particular, they are being discussed at the

present time in direct negotiations with the peoples of the north, particularly the natives of the Yukon.

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ENVIRONMENTAL AFFAIRS

POSSIBILITY OF PUBLIC HEARINGS BEFORE GRANTING OIL AND GAS EXPLORATION LICENCES—MINISTER'S POSITION

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, I have some supplementary questions for the Minister of the Environment which arise out of this statement, together with the statement of the Minister of Indian Affairs and Northern Development entitled "Land and Environmental Control", which unfortunately does not seem to have been prepared in consultation with the Department of the Environment. In view of the statement of the Minister of Indian Affairs and Northern Development that public hearings will accompany new development in the north, would the Minister of the Environment tell the House whether or not in his view oil and gas exploration licences and agreement require public hearings before their issuance?

Hon. Jean Marchand (Minister of the Environment): Mr. Speaker, I do not know whether the hon. member wants to have a legal opinion or is asking for one right now on the morality aspect under the rules. I do not know what you have in mind.

Mr. Jarvis: A moral opinion will do.

Mr. Marchand (Langelier): I have no objection to Northern Affairs issuing the permits. I know this is done in co-operation with all departments concerned. I have been consulted and that is all I need.

METHOD OF CONTROLLING ISSUANCE OF LICENCES FOR OIL AND GAS EXPLORATION

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, I am trying to find out what consultative provisions there are. In view of the fact that the great bulk of resource development in the north will occur in the oil and gas sectors, will the minister tell the House how he or his associate, the Minister of Indian Affairs and Northern Development, intend to control development in light of the fact that oil and gas regulations will come under the supervision of the resources management agency which, in my view, has no input from either his department or the Department of Indian Affairs and Northern Development? How does he intend to control the issuance of the licences?

Hon. Jean Marchand (Minister of the Environment): I think the best example we have of this is what happened in respect of the Beaufort Sea. The department was consulted all the way along and the decision was made by cabinet after consideration of all aspects of the situation. I think it is the role of the department to bring to the attention of the cabinet all of the environmental aspects of development in the north, and I intend to keep doing that. I think it is the normal process.

Mr. Jarvis: Mr. Speaker, I quite agree with the Minister, but there are no regulations that ensure this. The Minister of Indian Affairs and Northern Development used the words "environmentally insignificant exploration activities". I should like to ask the Minister of the Environment what he considers as environmentally insignificant exploration activities and where these activities are potentially likely? I have used used the words of the Minister of Indian Affairs and Northern Development, but what do they mean to the Minister of the Environment?

Mr. Marchand (Langelier): Mr. Speaker, I do not think it would be proper for me to interpret what the Minister of Indian Affairs and Northern Development meant by the expression quoted. I think the hon. member should put the question to the minister who can tell him exactly what he meant by it.

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TRANSPORT

REASON FOR PAYMENT TO CANADIAN PACIFIC FOR RAIL SERVICE IN QUEBEC-MONTREAL AREA PRIOR TO COMPLETION OF STUDY

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Transport. Considering that just about a week ago his department took steps to initiate a study on passenger rail transportation in the Quebec-Montreal area on the one hand, and the Toronto-Windsor area on the other, and that this study is supposed to be completed by July of this year, will he explain the extraordinary announcement which involves $30 million as a gift to the CPR for expanded rail services at this time in the Quebec-Montreal area? Will he tell us why the money was given to the CPR now before he has the results of the study, and can he say why it was given to the CPR when the CNR already has much better service in the area? Finally, can he tell us if this has anything to do with the beginning of the public advertising by the Liberal party in Quebec for the next provincial election?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, let me dispose, first of all, of the last suggestion which, of course, is completely ridiculous, and I say so straightforwardly.

Some hon. Members: Hear, hear!

Mr. Lang: The study that has been going on of the sections of tract in the Quebec-Windsor corridor has been on much longer than just the week to which the hon. member referred. It is our intention to see progressive improvement on the whole section as, indeed, in other parts of railway sections throughout the country as passenger service is committed to them in line with the new policy of more complete compensation. I think the hon. member made something of a mistake in thinking of the $30 million as a gift to the CPR. It is a part of the over-all program which will have us bearing certain parts of the

cost where upgrading and improvement in services are planned.

Of course, in the particular case of choosing one line, it will be that line where the expenditure will be made. What is really involved is that in the case of the Quebec-Montreal section, it has been our judgment that the particular rail line on which passenger services will be run efficiently in the future with new trains happens to be the CPR line.

Mr. Jarvis: Why?

Mr. Lang: Because it is our judgment that this is the best line for that service. We will in fact be selecting lines in that fashion throughout the country, and we hope that the actual operations of passenger services will in fact be under the management of one joint company, and not particularly the CPR. No doubt the CNR will have the greater part to play in it.

Some hon. Members: Hear, hear!

POSSIBILITY CROWN AGENCY WILL RUN RAIL PASSENGER SERVICE

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, the minister said it was not a gift, but I remind him that it is a 100 per cent subsidy, so he can call it what he likes. My supplementary question refers back to the Liberal party's campaign promise in the 1974 general election in which it was asserted that a new Crown agency of some sort was to be established to take over existing CPR and CNR passenger services. I put this question to the minister: Does the government still intend to go ahead with this plan or does this announcement by him in an ad hoc way mean the government is planning to abandon that proposal or when it implements it will we buy back from CP the $30 million gift we are giving it?

● (1120)

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I really find it extraordinary that the Leader of the New Democratic Party has not seen in this announcement the simple continuation of what was clearly indicated in my policy statement to the House of Commons in January. This simply is an implementation, which was indicated at that time, of one phase of the over-all program. I indicated at that time that whereas initially we had thought in terms of a new corporation to operate the passenger service which might be a direct government Crown corporation, we had judged at that point in time that it might be better to have a company which was really formed by CN-CP, much like the telecommunications operation, rather than come in with our own. But we do believe one company has to be operating passenger rail service in this country in order to have efficient and good passenger service. We will fall back upon our own creature if that is required.

This $30 million is not a transfer of money but will be compensation for a specific cost outlay in passenger service. Again in the policy statement it was made clear that we believed it essential to move to a total compensation system in order to have a good rail passenger system. The alternative simply is that the railways have to find cash by taxing other goods or they run down their service. We believe that if there is good rail passenger service in this country it must be paid for by the passengers or the taxpayers. It is as simple as that.

REASON FOR DEALING WITH PASSENGER SERVICE ON PIECEMEAL BASIS RATHER THAN AWAIT COMPLETION OF STUDY

Mr. Edward Broadbent (Oshawa-Whitby): The CP has been systematically dismantling its service for 15 years. That is as simple as that. I do not know why the minister did not bail out the CN instead of the CP.

My final supplementary, Mr. Speaker, is: Given the obvious intention of the minister's department to now dismantle on a piecemeal basis a good deal of the passenger service—and I am thinking in particular of western Canada which should be of some passing concern to the minister—could he tell us why he is proceeding on this piecemeal basis with the decision in Montreal when he has a report just initiated, I repeat, a week ago which is not due until July covering that area and before he finally presents to the House of Commons an over-all integrated national transportation system.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the Leader of the New Democratic Party once again talks about piecemeal style. I presume he would want us to fix a particular point in time when all the tracks that are to be lifted and replaced are moved simultaneously, otherwise, it is a piecemeal program. That is nonsense.

Mr. Broadbent: It is not nonsense.

Mr. Lang: The announcement yesterday indicated that we were progressively moving in relation to all rail areas in Canada where passenger service is justified. We propose to do that. Indeed, in the very announcement yesterday, it was indicated that the tender call would be a request for prices on up to ten new trains, of which only three would be in the Quebec-Montreal corridor. If it should turn out between the time these are in and we have made our evaluation that we can go for the larger number of trains, we will do so and be that much further ahead in terms of service. The announcement also indicated that we did not expect a delay in improvements in rail passenger service in other areas but that that could proceed progressively. It is our objective to have good rail passenger service in this country wherever we can afford it, but it is also our objective to recognize the interest of the taxpayers in not maintaining service where good alternate service is available.

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[*Translation*]

OLYMPIC GAMES

ALLEGED REFUSAL OF FEDERAL SUBSIDY TO PERMIT HANDBALL TEAM TO PARTICIPATE—MINISTER'S POSITION

Mr. René Matte (Champlain): Mr. Speaker, I should like to put a question to the Minister of National Health and Welfare.

In answer to a question I put to him with regard to the discrimination, boycotting or segregating that may exist in the participation of athletes in the Montreal Olympic Games, the minister said that in all cases brought to his attention he had not found a single incident based on discrimination. Here is my question: Is the minister aware of the three articles published in the newspaper *La Presse* on May 6, 7 and 8 last, signed by François Béliveau and dealing with this subject, and more specifically has he looked into the case of the national handball team made up mostly of Quebecers which team, until recently, received no government subsidy because it was not representative enough of Canada, that is, because it was more representative of Quebec?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I had a quick look at the articles in question, but did not have the opportunity of looking into the case any further. Should the hon. member want me to do so, I should be pleased to meet his wishes but, to my mind, it does not necessarily constitute a case of discrimination. However, if more specific details are given, I shall have a closer look at the point brought up by the hon. member.

* * *

[*English*]

AIR TRANSPORT

POSSIBILITY OF BROADENING TERMS OF REFERENCE OF INQUIRY INTO USE OF BILINGUAL AIR TRAFFIC CONTROLLERS—GOVERNMENT POSITION

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is addressed to the Minister of Transport. Having in mind the very timely and appropriate words of the Official Languages Commissioner as used in the press release earlier this week to the effect that the only sensible language of aviation is that of safety, and taking into account the discussions which the minister had with the controllers on Wednesday of this week, I believe, can the minister now clarify for the House and the country the terms of reference of the public inquiry into safety in the air space over the province of Quebec and tell us whether and in what respect the terms of reference have been broadened?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, while negotiations are going on I do not think I would want to add to the words I have already used about the general direction. Of course, I can say to the hon. member that I, myself, have said a number of times something similar to what Mr. Spicer has said, indicating that safety had to be pre-eminent. Indeed, our whole procedure in moving toward the use of French and English in air traffic control in Quebec was dictated with safety in mind, that is, in going to the two languages for visual flight at the first five airports. Also safety is the pre-eminent watchword in the development of procedures as we move forward with that program.

Mr. Munro (Esquimalt-Saanich): May I ask the minister then what long range plans he has in mind for ensuring that air traffic controllers will not have to vote again on a walkout in order to be heard on matters affecting air safety. In other words, what steps are in hand to ensure that confrontation is replaced by consensus?

Mr. Lang: Mr. Speaker, they certainly do not have to resort to any vote in order to be heard. Indeed, we have been consulting with them constantly and any absence of consultation has only been on occasions when they were unable to attend a meeting. Certainly, they have been fully involved in preparations at each stage and in each task force. I have agreed that they will participate in the simulation experiments, for instance, but they have not attended at this time because they were busy with negotiations and not for any other reason.

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AIR CANADA

REQUEST FOR INVESTIGATION OF FINANCE BRANCH AT WINNIPEG BY AUDITOR GENERAL

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, last Thursday I informed the minister that Warnock Hersey Limited of which Yves Ménard, a former Air Canada vice president, is a director owed Air Canada for 400 air tickets. Last Friday, the day after I raised the matter in the House, a bank transfer for $44,000 was received by Air Canada in Winnipeg to pay for the 400 missing tickets, but this has presented another problem. The Warnock Hersey account is missing and Air Canada does not know where to apply the money. Will the minister now reconsider and have the Auditor General's department conduct an immediate investigation and establish a proper account system at the Air Canada finance branch in Winnipeg?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, it is my basic belief that the management of Air Canada should be left to the management of Air Canada, and I am sure they will do a good job.

An hon. Member: Mismanagement.

REQUEST FOR INVESTIGATION OF FINANCE BRANCH AT WINNIPEG AND ASSURANCE BRANCH NOT MOVED TO MONTREAL

Mr. Dan McKenzie (Winnipeg South Centre): That certainly is not my belief. I would like to address a question to the Prime Minister in view of the fact that the Minister of Transport is not prepared to take any action. I should like to point out to the Prime minister that, since there are no longer any enforced controls on travel agents reporting ticket sales and, as of October, 1975, there were an excess of 96,000 unreported travel agent ticket sales, which represents a minimum of $2,208,000 unpaid for transportation, will the Prime Minister launch an immediate investigation and also give an assurance that the finance branch will not be moved to Montreal? Will he also check to see when the lease expires in the Richardson Building in Winnipeg?

● (1130)

An hon. Member: What building?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the very question, which is a mishmash of various questions, is proof positive that the government should not

be trying to run one of its Crown corporations from the floor of the House of Commons. I note that the hon. member does not agree with that view, but if he wants us to start interfering with the management of Crown corporations, he had better stand up and say that that is his party's policy, and then we will consider whether it is worth taking seriously.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): Since when did you ask our position on anything?

Mr. McKenzie: We are talking about public money and taxpayers' money, and I would like to point out to the Prime Minister that at the present time there are employees sitting in the offices doing nothing.

Some hon. Members: Question.

Mr. Speaker: Order, please. The hon. member was permitted a rather strong representation as a preliminary to his second supplementary. In this question I wonder whether he would go directly to the question.

Mr. McKenzie: Yes, I can go directly to the question. Air Canada is paying outside contractors $6 per hour to do ticket sorting while ticket sorters are sitting idle in the offices of the Winnipeg finance branch, and I think the Prime Minister is going to have to take some responsibility here to get this mess cleaned up.

Mr. Trudeau: The only responsibility I will take at this present time is the one which the Minister of Transport properly took in answering the question. We will refer the concerns of the hon. member to the Crown corporation and trust it to deal with them properly. If the Crown corporation does not deal with them properly, surely that will be brought to light by the report of the accountants who audit the books of the corporation. The hon. member shakes his head, but this is the principle of Crown corporations. They should not be managed on a day to day basis by the government, even upon representations in the House of Commons. For instance, frequently representations are made about the CBC. The hon. member, and certainly his party, would not like us to interfere with the management of the CBC, in spite of the representations they make. We refer these questions to the Crown corporations and trust that they will be dealt with fairly.

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HEALTH

REQUEST FOR CONSULTATION WITH UNION REPRESENTATIVES CONCERNING DANGER OF CANCER CAUSED BY BLUE FIBRE ASBESTOS

Hon. Martin O'Connell (Scarborough East): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Has the government reached any decision regarding the banning of the import into Canada of blue fibre asbestos? I ask this question again in view of the danger to workers of a fatal cancer caused by blue fibre asbestos. Will the minister undertake to consult, with respect to this danger and this request, with the unions representing workers at the Johns-Manville plant in Scarborough?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, a while ago the Minister of Consumer and Corporate Affairs and myself announced our intention to proceed to the banning of blue fibre asbestos. There have been consultations with the firm involved after it made further scientific representations. We have since examined those further scientific representations. We have come to the conclusion that those representations were not of such a nature as to change our original intention. My colleague, the Minister of Consumer and Corporate Affairs, intends to make an announcement shortly on this subject, and I think he should be the one to answer with regard to this particular aspect.

As far as the latter part of the question is concerned, I am pleased to receive the representation of the hon. member with regard to the unions concerned. I will instruct my officials to make themselves available to the union officials, at their convenience, and to make available to them the scientific information we have on this particular subject.

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TRANSPORT

SUGGESTED INTEGRATION OF CANADIAN PACIFIC AND CANADIAN NATIONAL PASSENGER SERVICES IN TORONTO-WINDSOR AREA

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, my question is for the Minister of Transport. In view of the fact that the area between Windsor and Toronto is the most densely populated area along the entire length of the proposed corridor and that the CPR has been permitted over the years to evade its responsibilities by discontinuing passenger services totally in this area, despite the fact that it has the best operating line which does not need any subsidy, can the minister assure the House that it is his intention to restore CPR passenger services in that area and to integrate the CPR lines, which are the better lines, with the CNR lines? If so, when will he have an answer?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I appreciate the representation from the hon. member that we might consider which line is indeed the better line for service between Toronto and Windsor as between the CPR and the CNR and not just automatically choose one over the other on some *a priori* criteria. I will certainly be glad to make a thorough re-examination of the question of the communities involved and the type of service which would be involved on the two lines.

Mr. Saltsman: In view of the great importance of the restoration of passenger service in many areas of southern Ontario, and into Bruce peninsula as well, will the minister assure the House that he will invite representations from the affected communities so that they can put their cases to his department in order to get the CPR to restore its services?

Mr. Lang: I will be very glad indeed to receive representations.

SUPPLY AND SERVICES

LOCKHEED CONTRACT—REQUEST FOR TABLING OF ORIGINAL UNSIGNED CONTRACT

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I would like to direct a question to the Minister of Supply and Services. Yesterday on a point of order raised by the hon. member for New Westminster the minister undertook to table a letter of agreement dated March 31, 1976 and articles of a negotiated draft contract referred to in the letter of agreement involving the contract dealing with the Orion, but earlier in the question period he indicated that he would not table the unsigned contract. In view of what he said after the preliminary question by the hon. member for Victoria, has the minister considered his position, and would he reconsider his position and table the original unsigned contract requested by the hon. member for Victoria so that the House may have all the documents with respect to the matter.

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, the rationale behind tabling the letter of agreement is that it constitutes an authorization of payment, and I said that I was also going to table the articles related to the letter of agreement because this was the whole contractual agreement we had with Lockheed. Otherwise, there is no contract as such, and I cannot table in the House an unsigned document.

Mr. Baker (Grenville-Carleton): I am sure that with the unanimous consent of the House the minister could table anything. In any event, the reason the question is asked—and I think the minister should know this—is that there may well be more to this in terms of public examination which should take place than merely the authorization of payment, terms and condition and a number of other things which were in the contemplation of the parties. Would the minister please reconsider and table the unsigned document, so that the House and not the minister alone can make a judgment with respect to what is contained in that document? Otherwise, the minister is withholding, perhaps, some information, and I wish he would reconsider the matter in that regard.

Mr. Goyer: This is totally untrue. As a matter of fact, I stated in the House that I was going to table the contract in the eventuality of the signing of the contract, so that would have then become public. We had nothing to hide. However, the problem is that now there is no legal obligation, according to this proposed contract, so why should it be tabled? In the event there is another contract, of course, it would be.

Mr. Baker (Grenville-Carleton): The minister asked why it should be tabled. The reason that these questions are being asked is that there are reports that Lockheed and the government may have been discussing matters yesterday, and in order to consider the results, if any, of those discussions I think it is fair and important to hon. members and to the country to know the original basis of discussion so that judgments can be made. In view of that would the minister consider again—he can consider it overnight—tabling this unsigned contract, in view of the reports that negotiations are continuing with Lockheed? How can we make a comparison?

● (1140)

Mr. Goyer: I am sorry to say, Mr. Speaker, that the arguments of the hon. member have not changed my mind.

* * *

REGIONAL ECONOMIC EXPANSION

REQUEST FOR MEASURES TO IMPROVE ECONOMY OF ATLANTIC PROVINCES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, my question is for the Minister of Regional Economic Expansion but no doubt the acting minister can handle it. It concerns the recent report of the Atlantic Development Council, a body established by the minister's department and is in regard to the effect of the Regional Development Incentives Act upon the economy of Atlantic Canada. Considering the depressing and discouraging findings of the council, can the minister advise if consideration will be given to new programs and planning which might actually improve the Atlantic economy and reverse the slowdown which the report notes?

Hon. Robert K. Andras (Acting Minister of Regional Economic Expansion): Mr. Speaker, in the absence of my colleague, as acting minister I shall be glad to convey the representations to him on his return.

* * *

NATIONAL GALLERY

POSSIBILITY OF CHANGE IN RELATIONSHIPS WITH MUSEUMS CORPORATION

Mr. Howard Johnston (Okanagan-Kootenay): Mr. Speaker, my question is for the Secretary of State in his capacity as the minister responsible for lending assistance to the arts. It arises out of the resignation of the director of the National Gallery. What consideration is being given to a restructuring of the National Museums Corporation and its relationship with the National Gallery as the search for a new director of the gallery begins?

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, that is not being contemplated at this time. As the hon. member knows representatives of the National Museums Corporation appeared before the Standing Committee on Broadcasting, Films and Assistance to the Arts last year. They spent some time discussing the structure and answered most of the questions put by members at that time. I have reread the testimony and have the impression that there was some support for the structure. We should not lose sight of the fact that in the years since the corporation has been in place we now have 25 associate museums established across Canada which did not exist as such before and we have 30 new national exhibition cen-

tres. I think the record of the corporation has been quite commendable. I am not minimizing the fact that there may be problems, but in terms of the over-all thrust of the corporation, in my judgment it has served this country well.

CONTRIBUTION OF DR. BOGGS AS DIRECTOR—POSSIBILITY NEW DIRECTOR WILL BE A PROFESSIONAL

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I too have a question for the Secretary of State. I wonder whether he could say something about the contribution made by Dr. Boggs to the cultural life of this country and whether her successor will be a professional?

Some hon. Members: Hear, hear!

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, the question asked previously was about the corporation. I have said many times that Dr. Boggs' contribution not only to the National Gallery but to the cultural life of this country has been exceptional. It has been at the very highest level. I think the legacy of Dr. Boggs is found in the gallery today in the level of curators and research staff we have there as well as the obvious thrust toward the purchase of Canadian art. Everyone in the government, and on the other side as well, would, I am sure, want to join with me in saying that she has made a marvellous contribution to Canada.

Some hon. Members: Hear, hear!

Mr. Faulkner: I can also confess that certain efforts were made to try to make her stay.

On the question of a successor, Mr. Speaker, a search committee has been formed and the decision by the chairman of the board of trustees is to make that search as wide as possible to cover all areas of interest in the gallery—artists through museum directors, etc. It will be a wide comprehensive search with the fullest possible participation.

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VETERANS AFFAIRS

GOVERNMENT MEASURES TO ENSURE SERVICE TO VETERANS IN BRITISH COLUMBIA IN VIEW OF POSSIBLE STRIKE OF HOSPITAL WORKERS

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, my question is directed to the Minister of Veterans Affairs. Fortunately, the action taken by the British Columbia government yesterday has given a 21-day cooling off period but I should like to ask the minister what plans the government has to guarantee uninterrupted service to the hundreds of war veterans in hospitals in Vancouver in view of the prolonged hospital workers' strike in that province which has spread to seven of the hospitals in greater Vancouver?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, we have had no problem in British Columbia or many other provinces up to this time. In the past when we have had interruptions as a result of professional people going on strike, sufficient people have usually been retained by law to look after our veteran patients.

Mr. Clarke: A supplementary question, Mr. Speaker. I appreciate the minister's concern and I should like to ask if he will ensure—even though they have had no problem until now—that the service will continue uninterrupted in the event of the resumption of this strike?

Mr. MacDonald (Cardigan): Mr. Speaker, we are always very close to the situation. When our transfers are completed there is always a guarantee in there for care of patients. We have people situated in those hospitals who are responsible for the care of veterans. I can assure the hon. member that my department will be checking this. As of today, we will look into the situation.

* * *

SPORTS

FINANCIAL ASSISTANCE FOR PRE-OLYMPIC BASKETBALL TOURNAMENT AT HAMILTON

Mr. Gus MacFarlane (Hamilton Mountain): Mr. Speaker, my question is for the Minister of National Health and Welfare. I wonder whether he or someone in his department could say whether there has been any confirmation of financial assistance to the pre-Olympic basketball tournament which is to be held in Hamilton? The people of Hamilton are quite interested in this in view of their recent wonderful experience in Montreal when the Hamilton Finn Cups won the memorial cup?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I have received numerous representations on this particular subject. I am pleased to confirm that I have approved a subsidy of $30,000 for the holding of these games.

* * *

UNEMPLOYMENT INSURANCE

POSSIBILITY OF MERGING OFFICES WITH MANPOWER CENTRES—GOVERNMENT POSITION

Mr. J. R. Ellis (Hastings): Mr. Speaker, my question is for the Minister of Manpower and Immigration. About a month ago I asked a question regarding joining together Canada Manpower centres and unemployment insurance offices. At that time the minister said he had previously answered that question. I looked back in *Hansard* and found that in fact he had put off the answer. Now that he has had a couple of months' respite, could the minister indicate to the House if he intends to join the function of the Canadian Manpower Centres and the unemployment insurance centres?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I have indicated that we are seriously examining this option. If and when a decision to do so is made, it will be made public and in this House.

ENERGY

OIL AND GAS LAND USE REGULATIONS—FEDERAL JURISDICTION OVER OFFSHORE LANDS ON EAST COAST

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources but in his absence I shall direct it to the Prime Minister. The question relates to the proposed new Canada oil and gas land regulations and their application to offshore lands, particularly on the east coast. Since jurisdiction over the east coast offshore land is claimed by the provinces concerned, can the Prime Minister inform the House of the nature of its agreements with these provinces which allow the federal government to unilaterally set the land use regulations for these lands?

Mr. Maurice Foster (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, the Minister for Energy, Mines and Resources answered this question in the debate that ensued after the oil and gas regulations were announced earlier this week. He indicated that he was very hopeful that an agreement could be reached between the federal and provincial governments with regard to the royalties accruing to the government on the offshore oil and gas.

Mr. Andre: Mr. Speaker, is the parliamentary secretary able to offer any assurance to the House that any such agreement will precede the introduction of the land use regulations so that prior to asking the House to debate the subject of these proposed regulations members can be sure that a firm agreement has been reached with these provinces?

Mr. Foster: Mr. Speaker, I do not think I can give that assurance. I think we will go ahead with the legislation this fall and hope that a suitable agreement can be reached between the two levels of government.

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GRAIN

STABILIZATION PROGRAM—ALLEGED INABILITY OF GOVERNMENT TO FULFIL FINANCIAL COMMITMENT TO PROGRAM

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is to the minister responsible for the Canadian Wheat Board. In view of the fact that the minister has been trying to sell the western grains stabilization program to producers for a considerable time, even as late as a month ago on a tour through western Canada, may I ask if he was aware at that time that the government would not be in a financial position to fulfil its commitment this year to that program which, according to the minister's figures, could be up to $100 million?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the fact that at this point in time an actual accounting item has not been put on to the books of the stabilization plan has no impact whatever upon the plan. In terms of the cash transfer, the money is owed to the plan and is earning interest. Notwithstanding the actual delay in payment, it will be made at any time a payment out of the plan is needed, or earlier if that meets the fiscal framework. I would hope the hon. member would not try to discourage anyone from joining the plan. Surely, he should realize that the plan is to the great advantage of each and every producer.

RATE OF INTEREST ON AMOUNT TO BE TRANSFERRED TO STABILIZATION FUND

Mr. Gordon Towers (Red Deer): Mr. Speaker, I can assure the hon. Minister that I am trying to encourage people to enter the plan. Since producers are compelled to meet their commitment under this program to make a fund available for federal government use—which suggests that they are helping the government instead of the government assisting them—is the minister aware that more than double the financial burden of payment and interest will be placed on the federal treasury next year, which could create financial difficulty? The question is, will provision be made for it and can the minister inform the House what the interest rate will be for the outstanding amount as a result of this so-called sneaky trick?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the interest is the same as it would be if the amount were transferred, so that there is no difference whatever. It is not a trick. It is a matter of fiscal framework and the only time that the actual availability of the cash is important is at the time of the payout of the fund and that is assured.

* * *

● (1150)

COMMUNICATIONS

USE BY CREDIT COMPANIES OF COMPUTERS TO OBTAIN FUNDS FROM CARDHOLDER'S BANK ACCOUNT—GOVERNMENT POSITION

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, my question is for the Minister of Communications, although I recognize that this is an area that falls under multiple jurisdiction. It arises from press reports that Bank Americard, the American counterpart of Chargex, is moving in selected markets toward an electronic funds transfer system which would eventually replace most cash payments. Apparently Interbank, which issues Master Charge, is looking into a similar system. The initial steps involve use of a card which would allow merchants to get electronic access to a customer's bank account and to make withdrawals from his account without the issuing of a cheque. Has the minister been following what has been taking place in the United States, and can she tell the House whether she is aware of any plans by financial institutions to introduce such a program into Canadian markets within the next year or two?

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, I think the hon. member is referring to the matter of privacy in the future use of computerized data. We have developed a plan for our own operations inside government departments whereby we will protect the privacy of individuals with regard to the data we have on them in the

sense that one department will not be able to transmit to another information it has on a particular person. We hope that private companies in Canada will emulate what we are doing in our departments. However, we are following, and this is the question asked by the hon. member, developments in the United States in order to see how we in this country can protect the privacy of the individual in light of the developments in the computer industry.

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TRANSPORT

EFFECT OF IMPROVEMENT IN TRAVEL TIME BETWEEN MONTREAL AND TORONTO ON RAIL PASSENGER SERVICE

Hon. Robert L. Stanfield (Halifax): Mr. Speaker, in the statement issued by the Minister of Transport with regard to improved corridor rail service, he indicates that the present rail time between Montreal and Toronto is four hours and 50 minutes and the possible improved rail time will be about four and a half hours. Does he hope to improve service to the point where it will take only 20 minutes to get from Montreal to Toronto or that the time will be cut by only 20 minutes? If so, does he consider that enough change to affect rail travel between Montreal and Toronto?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the fact is that service between Toronto and Montreal is now really quite good and is attractive to passengers. The kinds of things that can be done with a reasonable amount of money will only make a marginal difference, but will still be justified. This is the very reason we have selected other parts of the scheme between Windsor and Quebec City for more dramatic action. In those cases, trip times can be improved rather significantly, particularly when new equipment is added which is as good or better than the Turbo equipment operating on the Toronto-Montreal line.

TYPE OF EQUIPMENT TO BE USED TO IMPROVE RAIL PASSENGER SERVICE

Hon. Robert L. Stanfield (Halifax): Have the Department of Transport and the railway companies made firm decisions with regard to the type of equipment they consider ideal in the circumstances or is this still a matter of research? In other words, has the government decided the optimum equipment for this run or is this still subject to research?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, there have been some decisions about the numbers of trains in order to justify certain frequencies of routes. The exact type of train will be judged finally after the tenders have been received from various possible suppliers. Naturally, we have made some preliminary judgments about advantages and the like, but clearly cost will enter into it. We will make a final judgment after the bids have been received.

[Mrs. Sauvé.]

SPORTS

CANADA CUP HOCKEY SERIES—REQUEST FOR WIDER TELEVISION COVERAGE THAN IS PROVIDED BY CTV NETWORK

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is for the Minister of National Health and Welfare as minister responsible for the federal role in sports. Recently, the minister announced that the CTV network has been accorded the right to broadcast the Canada Cup hockey series next fall. Will the minister take steps to ensure that all Canadians, including those not living within the CTV viewing area, will in fact be able to see the broadcasts of the Canada Cup games?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the organizing committee proceeded on a negotiated tender basis between the two main networks in Canada. I have drawn to their attention the importance of having the widest possible coverage. It is true that the combination of the CTV English and French network will not have the same broad coverage as the CBC. Again, let me say that I have drawn this to the attention of the organizing committee. I am advised that discussions will likely take place between the CTV and CBC in the near future on this subject.

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TRANSPORT

REQUEST FOR ASSURANCE OF INTERCITY RAIL PASSENGER SERVICE IN WESTERN CANADA

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a question for the Minister of Transport. Yesterday the minister announced he would be spending millions of dollars on improving intercity service in central Canada. Will he assure us today that he will shortly be announcing the establishment of intercity service in the prairies?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I previously announced our intention to start to improve all services in the west as well as in the Atlantic. Hearings now going on before the CTC will give some preliminary indication about which services can be justified and are desirable. It is our expectation that as soon as those decisions are made as to what service can be maintained, investment will be made as required for track and equipment to improve the services.

Mr. Nystrom: Will the minister give assurance that there will be an intercity passenger service in the prairies which in effect we do not have today?

Mr. Lang: Mr. Speaker, I can assure the hon. member that there will be good passenger service in the prairies. The exact nature of it and whether it would be classified as intercity as distinct from transcontinental really awaits the decision of the CTC. I expect there will be intercity links as well as transcontinental service.

HOUSING

EFFECT OF NEW REGULATIONS ON CO-OPERATIVE HOUSING PROGRAM IN NOVA SCOTIA—GOVERNMENT POSITION

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, in the absence of the Minister of State for Urban Affairs, I will direct my question to the acting minister because it is urgent. In light of the new housing regulations which, according to knowledgeable people in the field, have completely destroyed a co-operative housing program pioneered over a 40-year period by the Extension Department of St. Francis Xavier University, indeed one which has been an example to all of North America, and because of the urgency to provide much needed housing for low income working families, will the minister have these new regulations investigated and eliminated?

Mr. Jean-Robert Gauthier (Parliamentary Secretary to Minister of State for Urban Affairs): Mr. Speaker, I will take notice of the question, look into it immediately and report to the hon. member.

* * *

[*Translation*]

AIR TRANSPORT

POSSIBILITY OF AIR TRAFFIC CONTROLLERS STRIKE

Mr. Eudore Allard (Rimouski): Mr. Speaker, my question is directed to the Minister of Transport.

Considering that there is a possibility of a strike by air traffic controllers, has the minister considered a mechanism to avoid this strike which would undoubtedly affect the whole country?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the negotiations are continuing, but there has been no settlement at this point. Therefore, the threat of strike remains.

ALLEGED BREAKDOWN OF NEGOTIATIONS WITH AIR TRAFFIC CONTROLLERS—GOVERNMENT ACTION

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I have a supplementary question for the Minister of Transport. Can the minister confirm or deny rumours within the past few hours that negotiations have in fact broken down between Treasury Board and the air traffic controllers? What is the present situation? If this is so, can the minister advise what possibility there is for renewed negotiations within a matter of hours or days, keeping in mind the vital importance of this to the whole country?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, following the meeting between myself, Mr. Livingston and a couple of his colleagues the day before yesterday, there was a meeting yesterday with the bargaining teams to discuss the specific terms of remuneration under the contract. It may be that no progress of any note was made at that time. I asked Mr. Livingston to meet me again this afternoon to discuss further the question of the terms of reference and so on, because I would like to bring that to a conclusion. We made some real progress in our previous discussion and really had very little disagreement. I thought that issue could be cleared out of the way. Mr. Livingston indicated that he is not able to meet with me, but I do not call that a breakdown in negotiations.

● (1200)

Mr. Baker (Grenville-Carleton): Mr. Speaker, I want to thank the Minister of Supply and Services for coming back into the House. My point of order has to do with the answers he gave to my questions today. My question arose out of a question put to the minister yesterday by the hon. member for Victoria. It referred to the original document which was called an unsigned contract in the course of the question and the answer. In the course of his answer to the hon. member for Victoria, the minister said—and here I am quoting from page 13698 of *Hansard*:

> The document in question has not been signed by the parties and as such it simply does not exist, legally speaking.

Today I asked him to table a piece of paper which is an unsigned document, according to him, but I am wondering whether that is the case. I am wondering whether the minister might not inadvertantly have misled the House. The fact is, at the time the Lockheed negotiations came to the crunch it was reported to the press that the agreement had been made and signed, according to my recollection, and that it had been put into escrow awaiting confirmation of the financial arrangements. If that is the case, and if the government was speaking the truth when it spoke to the people of Canada on that occasion, there is at least some question that the effect and the nature of the document was much more than merely that of an unsigned piece of paper.

If the government was telling the truth when it made the announcement to the people of Canada that arrangements had been made, completed, signed, sealed and delivered subject to escrow relating only to confirmation of the financial arrangements, then the document sets out in detail the terms and conditions of the relationship between Lockheed and the government of Canada. It therefore becomes a significant documents in terms of public discussion of the situation concerning the Lockheed transaction. Moreover, in view of press reports that Lockheed is still sniffing around for a transaction, reports which have not been denied by the government, then in terms of any subsequent contract which might be negotiated the existence of the old arrangements setting out the terms and conditions of that relationship become important. I rise on a point of order to say that in the circumstances I have outlined the minister might well have misled the House as to the nature of the document referred to yesterday by the hon. member for Victoria and referred to by myself today.

I do not want to put the minister on the spot today, Mr. Speaker, but I would ask him to reconsider the decision he has taken and table that part of the documentation relating to a transaction which, by his own admission, will cost the country $16 million and, in the opinion of others, very much more. Does he not believe this is the kind of document which ought to be tabled? I feel that the minister should reconsider his position on the basis of these submissions. My point of order is that it would be contrary to parliamentary practice to fail to do so. It would be contrary

to the principle that we ought to be given information with respect to this kind of undertaking. I ask the minister to reconsider the position he has taken, in all the circumstances.

Mr. McKenzie: Mr. Speaker, I should like to direct a point of order to the Minister of Transport since the Prime Minister has left the House. The Prime Minister stated today, in regard to my question about Air Canada's financial branch, that it is not government policy to become involved in the affairs of a Crown corporation. I should like to point out to the minister—

Mr. Speaker: Order. It appears that the hon. member is seeking to differ from or disagree with answers given to him during the question period. Opportunities to do this are provided in the course of debate. It is not fair to allow one member to rise on a point of order to pursue objections or disagreements which are really the subject of debate. If the hon. member has a point which concerns the order of business for the day, or in general, I will hear him.

Mr. McKenzie: My point of order is that the Estey report, which cost Canadian taxpayers $400,000, specifically states there are problems in Air Canada's financial branch, and the government will be fully justified in dispatching an auditor there because of what is contained in the Estey report.

Mr. Speaker: Order.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

PRIVILEGES AND ELECTIONS

Eleventh report of Standing Committee on Privileges and Elections—Mr. Blaker.

[*Translation*]

MISCELLANEOUS PRIVATE BILLS AND STANDING ORDERS

Eleventh report of Standing Committee on Miscellaneous Private Bills and Standing Orders—Mr. Loiselle (Chambly) for chairman.

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

[*English*]

Mr. Baker (Grenville-Carleton): Mr. Speaker, a few moments ago I raised a point of order. There was no response from the minister with respect to the matter, nor was there any response from the Chair.

Mr. Speaker: The minister is in no way obliged to respond to the point of order which the hon. member for Grenville-Carleton raised. I believe the hon. member realizes that he did, in fact, make a strenuous representation to the minister, an extension of the question which had already been put to the minister three times, asking him to reconsider his decision with regard to the tabling of a document. If the minister wishes, he may respond, but he is certainly not obliged to do so.

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, simply to clear up confusion I understand the hon. member and I would like to say that some very accurate distinctions should be made. They are not easy to make. The hon. member refers to a contract which was signed and put in escrow. It was dated April 30, 1976, but one condition for the escrow has not been met, namely the financing of the contract. It is understood that consequently the contract became null and void because the condition was not met. If we refer to March 30, we see that there was a draft agreement, a letter of agreement which continues to bind the parties and represents an obligation to pay up $16 million. This concerns the House. This document must necessarily be tabled, and I committed myself to do so when its translation is completed.

[*English*]

Mr. Baker (Grenville-Carleton): Mr. Speaker, there is confirmation of the signing of the document—

Mr. Speaker: Order. It is obvious we are getting into discussion of the question itself.

Mr. Leggatt: Mr. Speaker, I have a point of order on the same subject. It concerns the minister's statement yesterday that he would table the document relating to the renewal of the option. However, he did not take the occasion today to rise under Standing Order 41(2) in order to do so. Perhaps he could explain why the document was not tabled. Surely there has been sufficient time for the translation to have been completed.

Mr. Goyer: The explanation is very simple. There are articles in the letter of agreement which we have to translate. This is not just a one-page clause in a contract; there are many pages. But the work is going on and probably on Monday I shall be in a position to table it.

Mr. Knowles (Winnipeg North Centre): How about Tuesday?

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UNEMPLOYMENT INSURANCE

TABLING OF ADVISORY COMMITTEE REPORT ON APPEAL SYSTEM

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, pursuant to the provisions of Standing Order 41(2), I am pleased to table, in both official languages, copies of the Unemployment Insurance Advisory Committee's report on the appeal system, as well as copies of correspondence between the chairman of the committee and myself.

Mr. Baker (Grenville-Carleton): On a point of order, Mr. Speaker. I understand that the Postmaster General is about to rise and make a statement on motions with respect to the operations of the Post Office which are the subject of an opposition motion today. In my respectful

submission to Your Honour, it would be a bad practice to allow the minister to make a statement in any event on an opposition day. It is bad practice in terms of the use of time on a short day. This is particularly so when the statement may very well relate to the operation of a department that is the subject of discussion and on which a vote will later be put before the House. Under the circumstances, I do not think the minister should make his statement now; rather, he should make it during the course of his representations in discussing the estimates later this afternoon.

● (1210)

Mr. Mackasey: Mr. Speaker, speaking to the point raised by the House leader of the official opposition, I had the same misgivings in this regard. The postal estimates are up for examination, and it is a short day. I am not in regular communication with the Conservative party but out of courtesy I did raise the question and asked them to determine which way they wanted it. I am quite prepared to withdraw my statement and to make it during the course of my remarks. The only reason I have brought it forward today rather than some time next week is to make certain that the opposition is made aware of what it contains, so that they will have ample opportunity to comment on it in debate. I circulated the statement many hours ago, but I will follow the advice of the hon. member and make my statement later.

Mr. Speaker: In fairness, I must say that the Chair had a misgiving similar to that which occurred to hon. members. It has been suggested that the minister might be prepared to incorporate his remarks vis-à-vis the statement in committee of the whole and that that course should be followed. I hope that the House, when it goes into committee of the whole, will take this as an expression at least of the will of the House and that in the initial stages questioning ought to be permitted. There are 20-minute speeches in committee of the whole and the questioning process could easily be thwarted if the minister's statement is followed by a number of lengthy speeches. If, in committee of the whole members do follow the practice of immediately questioning the minister and getting in a round or two of questions, this might solve the problem much more satisfactorily. Is that agreed?

Mr. Mackasey: Mr. Speaker, it was not my intention to lead off with the statement, and I do not think there is any obligation on my part to do so. I am prepared to make a very short statement. There is no obligation on the opposition to answer that statement on motions. They can prepare their rebuttal or reply in the statements that they make during the course of discussing the estimates. I fully intend to participate in the debate during the rest of the day, but not necessarily as the first speaker. I think that is an option I have and which I should like to exercise.

Mr. Speaker: Order, please. The points have been well noted so far as the point of order is concerned. However, the minister has given an indication that he intends to make a statement. He has been called, and he has every right to do so. Under the Standing Orders, discretion is given to the Chair in regard to what steps should be taken respecting statements followed by questions, and I will hear some representations perhaps after I have heard the statement.

Mr. Knowles (Winnipeg North Centre): On the point of order, Mr. Speaker, I appreciate the principle that the opposition House leader placed before us, namely, that the government should not steal time from the opposition by putting down a statement on an opposition day.

Mr. Gillies: Nor should the NDP, by speaking on points of order.

Mr. Knowles (Winnipeg North Centre): The hon. member will appreciate the fact that this point of order and the debate on it were started by the Progressive Conservative party. It seems to me that now we know about the statement and have copies of it, and since most of us know what is coming, it would be better to have a brief statement followed by brief replies, and we can do the rest in committee of the whole. If we go into committee of the whole and there are three opposition statements, and then the minister makes his statement, it is going to be a bit of a mess.

Mr. Speaker: In the final analysis I am going to have to hear the statement and be guided at that time as to what steps should be taken. However, before proceeding I understand that the Minister of National Health and Welfare has a document to table.

* * *

[*Translation*]

HEALTH

TABLING OF REPORT ON ASBESTOS

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I simply would like to table an English and French copy of the report by a task force on asbestosis drawn by a team of federal and provincial officials.

* * *

[*English*]

POST OFFICE

ANNOUNCEMENT OF CHANGE IN POSTAL RATES

Hon. Bryce Mackasey (Postmaster General): Mr. Speaker, I will make my statement as concisely as possible and I will read it as fast as possible. I mention that the volume of mail has increased tremendously in the last four years, from 4 billion to 5.5 billion pieces. Our surveys on service which have been taken weekly and monthly indicate that the level of service now being acheived by the Post Office is more and more acceptable to the Canadian people.

I draw attention to postal rates in other countries and to the fact that we have not increased our rates for four years. The United States is now charging a basic first-class rate of 13 cents, the United Kingdom 17 cents, France 18 cents, and Australia 23 cents. During this period of four years, costs have risen for such things as labour, fuel, transportation, buildings and machinery. The gap between the cost of

the service and the charge to our customers has continually widened.

More particularly, Post Office customers—and it may be of interest that 80 per cent of our mail is generated by 20 per cent of the users—have been asking us when we intend to increase our rates so that they can undertake their own planning for the future. We intend to introduce changes to the Post Office Act to deal with this whole question and our relationship with industry. Furthermore, in the interim we should like to introduce certain measures now in order to give as much notice as possible of how the Post Office is planning ahead. For this reason, using the authority under the Financial Administration Act, I intend to introduce an interim change in the basic first-class postal rates on September 1, 1976, from 8 cents to 10 cents, and a further increase in this rate on March 1, 1977, from 10 cents to 12 cents.

Canada Post Office recognizes that many of our customers were adversely affected by the recent postal disruptions. Consequently, some of the rate changes in other classes of mail will be graduated both to cushion the effect of the strike and to allow for longer range planning. As a result of strong representations made to me by my colleagues, in particular by the Secretary of State (Mr. Faulkner) who is concerned for the welfare of the Canadian publishing industry, a 20 per cent increase in second-class mail rates will not take effect until March 1, 1977. I might point out that this is 20 per cent of the basic rate of five cents, so I am talking about a copper.

Changes in rates for other classes of mail, including the important third-class direct mail category, will go into effect on dates which are still under discussion with the appropriate parties. That is the association representing the bulk mail industry. The Post Office is planning a complete review of its rate structure in that category with the view to a more realistic determination of postal charges for the services rendered. There are some association which are currently using third-class mail for their publications, and these may warrant some form of government support or subsidy. I propose to review this question with my colleagues with the view to having certain departments assume the cost of any assistance which may be identified as a result of this review.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I want to agree immediately with the Postmaster General (Mr. Mackasey) that there were some negotiations as to how we should handle the announcement that he has just made. When we moved into committee of supply yesterday there were discussions as to how we should proceed. We have got a little out of practise with the proper procedure in this regard.

● (1220)

When Your Honour indicated there were some precedents for making a statement of this kind on an opposition day, which today is going to be primarily concerned with Post Office affairs, I could see immediately that we were heading into some procedural difficulties. Now that the Postmaster General has made a statement, I will respond briefly and reserve my more detailed comments until we move into committee of the whole. The Postmaster General has chosen a rather unfortunate day to lead with his chin in this respect. He is an Irishman, and the Irish have a habit of doing things of this kind. There is another quality of the Irish which I think might be referred to at this juncture: they have the optimism of Finian in Finian's Rainbow.

Someone suggested, when we were discussing the announcement the Postmaster General was to make, that obviously the increased rates must be for the payment of the extended storage period required because of the continuing delay in the delivery of Canada's mail. My immediate response is to suggest to the Postmaster General that there is no evidence of restraint here. He must be having difficulty reconciling his role as Postmaster General in this respect with his new responsibility as Minister of Consumer and Corporate Affairs.

The proposed rate increase exceeds the Anti-Inflation Board guidelines and regulations. I suppose it is designed to overcome the growing deficit which has been increasing rather substantially with each passing year with the current deficit for the 1976-77 period estimated at some $630 million. Hon. members must agree that it requires a combination of sharply rising costs, mismanagement and inefficiency to run up a deficit of that size. That is a fair appraisal of the situation. The Postmaster General has frequently said there is a malaise, a sickness in the Post Office Department. We intend to suggest, during the course of the debate today, that this sickness or malaise still persists notwithstanding the optimistic note of the Postmaster General's statement this morning.

The statement was placed in an unfortunate context. The opening statement was to the effect that the Postmaster General restrained himself in announcing any increase in postal rates until the Post Office had achieved a satisfactory level of efficiency. In spite of reassuring statistics from postal officials about on-time delivery and efficiency, the public seems increasingly convinced that postal service has gone from bad to worse. I spend a good deal of my time, as Post Office critic, dealing with complaints which come in from all parts of Canada in respect of continuing problems of the Post Office Department. This will be substantiated by contributions my colleagues will make during the debate today. There is a steady stream of complaints. Everybody has heard stories of damaged, lost, stolen and delayed mail, sometimes with horrendous consequences. I am not sure I should move into this phase at the moment. Perhaps I could delay it until the study of the estimates in committee of the whole. I have a series of quotations from government departments, some as recent as March 15, which indicates they are less than happy with the Post Office Department. This has specific reference to the use of courier service. Let us have a look at the Privy Council Office complaints.

Mr. Speaker: Order, please. This whole process has put the Chair in a rather awkward spot. This is, again, an opposition day and it seems ironical that I should be considering restricting the time of an opposition member. There is, however, a format that has been set out. It would have been preferable had this been part of the proceedings of the committee of the whole. In any event, the minister's statement was very brief and it would have been awkward to start proceedings in the committee of the whole without the statement. It is now on the record. I wonder if I could

invite hon. members to move as quickly as possible to the committee of the whole and continue questions then.

Mr. Dinsdale: Thank you, Mr. Speaker. I will save that for later and conclude my remarks by indicating that the increase has been justified in part by a reference to increases which have been announced over recent years in the United States and the United Kingdom. That also was an unfortunate context in which to place the statement, because customers in the United States are curtailing their use of the mails and turning to alternate services. As the rates go up, public resistance grows more firm and volumes drop even more, creating a vicious circle. In fact, I would suggest that the postal service is making the same mistake the railroads made, and in light of the discussions that took place in this House earlier today we realize the consequences of that decision to Canada. Obviously, when rates go up exorbitantly without a corresponding increase in efficiency of service, the Canadian public, particularly the business community which is the large user of postal services, will turn to cheaper and more efficient modes of communication.

Finally, Mr. Speaker, I received two statements this morning in which there was a slight change. In part of the first paragraph of the first statement it is stated:

—recent surveys which indicate that the level of productivity achieved by the Post Office is becoming more and more acceptable to the Canadian people.

This was changed in the revised version as follows:

Recent surveys indicate that the level of service achieved by the Post Office is becoming more and more acceptable to the Canadian people.

That was a very necessary change because, obviously, productivity is not one of the great achievements of the Post Office Department, as we shall demonstrate during the discussion that takes place today. It is very important that we have this discussion today, and I will not prolong its commencement further at this stage.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in view of the debate on the Post Office estimates I will be very brief in my remarks regarding the minister's announcement. It seems strange to me that a government committed to fighting inflation should propose a 50 per cent increase in the cost of first-class mail service by March of next year. It is doubly strange to me that this proposal is made by the Postmaster General who is also the Minister of Consumer and Corporate Affairs, because in that role he should be interested in knowing what this sharp increase will mean in the cost of living of every individual who uses the mail to send letters to friends and relatives, and every company that uses first-class mail for billing and other forms of business communication. They will all be affected by this sharp increase. In the case of the business community, this increase will be passed on to the consumer in the form of higher prices.

The NDP does not accept the principle that each part of the postal service must be self-sustaining or, indeed, that postal services must pay their way.

An hon. Member: Who is going to pay?

Mr. Orlikow: We believe there are some aspects of postal service, like aspects of health and other government services, which of necessity must be run with a deficit. We do not believe personal letters written to families and friends by individual citizens should necessarily cover the full cost of delivery. We believe that the reading of newspapers and magazines is so important to Canadians and the Canadian identity that the cost of this delivery service should be subsidized by the Canadian people as a whole.

● (1230)

In the same way, we question the good sense of increasing the cost of first-class mail at this time and it being done alone. We certainly object to the postponement of decisions in respect of the increase concerning third-class mail charges particularly when we realize that so much of the unsolicited mail—what is commonly referred to as junk mail—is moved and paid for as third-class mail. The latest figures I have for last indicate that there was a deficit of $130 million for third-class mail. It seems to us that the minister would have been much better advised to have sharply increased the rate for third-class mail, particularly junk mail before he increased the cost of first-class mail. We certainly object to that step being taken at this time.

[*Translation*]

Mr. Eudore Allard (Rimouski): Mr. Speaker, before commenting on the minister's declaration, I would like to thank him for making a French copy available to us.

According to his statement, the purpose of the increase would be to reduce the deficit of the Canadian post office which, if I am not mistaken, amounted to some $500 million last year. I appreciate that the minister is right in believing that this increase is justified and that in advocating it he is only doing what is expected of him, just like a good soldier obeys his superiors. The only difference between him and a good soldier, as far as obeying orders is concerned, is that the minister receives his instructions from high financial circles and complies with a system which urges him to act the way he does, namely increase the postage.

In his statement, the minister said he was trying to make up for the deficit which was incurred last year. But do you really think that this will solve all the problems? I do not think so. It may help for a while but eventually the same situation will arise, perhaps within a few years. And that is because the system is inadequate and cannot meet the needs and expectations of the Canadian people.

For many years we, the Social Credit Party of Canada, have tried with every means available to us to make the government understand that all the economic problems we are facing proceed from our financial system. If the financial system were consistent with reality, there would be no inflation, not to mention deflation, nor any price increases.

We are sure, Mr. Speaker, that Canadians would see a gradual price decline as progress would show up in techniques and production processes. What we want most of all is that the government change its goals and its legislation implementation in order that they become fair for all Canadians, and thus the situation would improve. But as long as the government will not implement what we have tried for many years to make them understand, the same

situation will prevail and we will sink ever deeper into the economic depression we are now facing.

We believe that the situation will improve if production is pushed up. To this end we have to work harder and harder, because we are a rich country, we have natural resources, we have large quantities of raw materials, and enough manpower. What else can we ask for? Yet we are faced in Canada with an unemployment rate of 9 per cent. There are people, and they are numerous, who cannot make both ends meet, and to cap it all a new increase has just been announced today.

At the present time, Mr. Speaker, we are mere slaves of finance and corporations, of this government. I think that should the government ever respect and protect the human being instead of finance, as is presently the case, inflation will have disappeared and it will be more pleasant to live, because there will be fewer thefts, less drugs, fewer murders, and certainly more mutual aid and understanding.

I am aware that the postal strike of last fall has underlined the problem of relations between wages and prices, and that the deficit which we experienced last year and which we will probably experience again this year, if it does not grow larger, will depend partly upon that and upon inflation in general, because, faced with a constantly increasing cost of living, and also to take advantage of the material and economic progress achieved each year and each day in our country, something must be done.

[*English*]

Mr. Speaker: Order, please. In exercising the discretion given to me under the rules, I think it is obvious that it would reflect most accurately the desire of all hon. members if the House were to move as swiftly as possible to the committee of the whole and deal with these matters there.

* * *

CRIMINAL CODE

AMENDMENT RELATING TO SEXUAL OFFENCES AGAINST JUVENILES

Mrs. Ursula Appolloni (York South) moved for leave to introduce Bill C-438, to amend the Criminal Code (sexual offences).

She said: Mr. Speaker, because of an inconsistency in the definition of the word "child", our Criminal Code appears to offer less protection to children than does most provincial legislation. The purpose of this bill is to remove this discrepancy and, by raising the age from under 14 to under 16, afford increased protection to juvenile victims of rape.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 4,030, 4,920, 5,094, 5,257, 5,305 and 5,448.

[*Text*]

CFDC—"SWEET MOVIE"

Question No. 4,030—**Mr. Friesen:**

1. What percentage of the film "Sweet Movie" was made in (a) Canada (b) France and how many feet of film do such percentages represent?

2. (a) What was the name of the company from which the cameras and equipment were rented in France (b) how much was paid to them?

3. How many of the technical staff were from France and who were they?

4. Is the Canadian Film Development Corporation participating in the production of a film called "The Candy Man" and, if so, how much is the Corporation investing in it?

5. What other films with the assistance of the CFDC have been shot in countries other than Canada and, in each case, what countries?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): I am informed by the Canadian Film Development Corporation as follows: 1. (a) Canada, 20 per cent; (b) France, 80 per cent. The completed film contains approximately the same percentage of Canadian and French material (8,616 feet).

2. (a) and (b) This information is not available from the French co-producer.

3. See answer to 2 above.

4. No.

5. "Aho . . . Au cœur du monde primitif"—New Guinea, Pakistan, Brazil. "Le sang des autres"—France. "Sept fois par jour"—Israel.

SMALL BUSINESSES LOANS PROGRAMME—FUNDS GRANTED TO CONSTITUENCY OF TÉMISCAMINGUE

Question No. 4,920—**Mr. Caouette (Témiscamingue):**

1. Since the coming into force of the Small Businesses Loans Programme, has money been granted to the Constituency of Témiscamingue and, if so, in what amount?

2. How many persons were eligible under the Programme?

3. What is the current interest rate on the loans?

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): 1. Data respecting this program is not maintained on a constituency basis.

2. It is not known how many persons were eligible under the program but some 38,000 loans have been made under the plan since its inception in 1961 to December 31, 1975.

3. Eight and three quarters per cent.

EGG IMPORT PERMITS

Question No. 5,094—**Mr. Murta:**

1. What firms or individuals have received egg import permits from the Department of Industry, Trade and Commerce for the years 1975 and 1976 and what was the size of the permits?

2. What criteria are used to decide who receives egg import permits and the size of the permits?

3. What official or group of officials in the Department are responsible for administration of the programme?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as Industry, Trade and Commerce is concerned: 1. Information submitted on all applications for import permits is commercially

confidential. Therefore, statistical information on imports for which permits have been granted is only on an aggregate basis to protect this confidentiality. In 1975, import permits were issued to 17 firms or individuals to import 36,000 cases of eggs under the global quota. In the same year to supplement the global quota, import permits were issued to 10 firms or individuals to import 40,350 cases. In the first four months of 1976, import permits were issued to 12 firms or individuals to import 23,250 cases of eggs. In the same period to supplement the global quota, import permits were issued to 12 firms or individuals to import 56,000 cases. Permits are normally issued by truckload quantities, or multiples thereof, one truckload being 750 cases of 30 dozen eggs.

2. Global Quota—Import permits for eggs issued under the global quota are allocated to importers on the basis of their historical record of imports. An allocation of up to 10 per cent of the global quota is available to accommodate new importers. Supplementary Import Quotas—If the Canadian market has requirements for eggs over and above that which can be supplied by Canadian production and the global import quota, supplementary import permits are issued following consultations with the trade, CEMA and Agriculture Canada.

3. Import permits are issued under the authority of the Export and Import Permits Act through the Export and Import Permits Division of the Department.

CYC—FUNDS FOR PROJECTS IN THE CONSTITUENCY OF TÉMISCAMINGUE

Question No. 5,257—**Mr. Caouette (Témiscamingue):**

1. From 1966 to date, how much has been granted by the government for projects in the Company of Young Canadians programme in the Constituency of Témiscamingue?

2. What was (a) the name of the project (b) its location (c) the year the grant was made (d) the amount granted?

3. For each year what was the (a) total amount granted to the Province of Quebec (b) number of projects accepted in the Province of Quebec?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): In so far as the Department of the Secretary of State is concerned: 1, 2 and 3. As the Company of Young Canadians is no longer operational all records have been either transferred, or are in the process of being transferred, to the Public Archives.

PROPOSED INTERNATIONAL ADOPTION DESK

Question No. 5,305—**Mr. Brisco:**

Has the government begun negotiations with provincial government officials in order to obtain agreement as to the role and function of the proposed International Adoption Desk with a view towards facilitating the adoption of children from foreign countries by Canadian citizens and (a) if so, what is their present state of progress (b) if not, on what date does it plan to do so?

Hon. Marc Lalonde (Minister of National Health and Welfare): (a) Following a study on international and interprovincial adoptions by a federal-provincial committee, an Adoption Desk was established in the Social Service Programs Branch of the Department of National Health and Welfare in October, 1975. The Desk has two components responsible for the co-ordination of interprovincial placements and international adoptions respectively. Operational guidelines for the Desk have been prepared and distributed for approval to the Provincial Ministers of Welfare. Policy and procedures documentation on international adoption has also been developed for distribution to Canadian missions abroad and foreign governments. Approval of this material has been received from seven provinces, the Yukon and the Northwest Territories. With the co-operation of the Department of External Affairs and its missions abroad, the Desk is currently securing information on foreign adoption laws and procedures of other countries for dissemination to provincial social service departments and child welfare agencies. The Desk is presently assisting provincial child welfare authorities with a number of individual international adoption cases. Discussions are being held with private international adoption groups in Canada for the purpose of seeking their co-operation in working with government officials under established policy and procedures in order to promote efficient international adoption programs and ensure good international relations in this area. The Desk is viewed by the provinces as a focal point for contact with federal government departments having responsibilities related to international adoptions. In order to maintain effective co-ordination and liaison among these departments, the Desk has established a federal interdepartmental committee on international adoption comprised of representatives from External Affairs, Manpower and Immigration, Secretary of State, Justice, and National Health and Welfare. The Committee has played a key role in developing comprehensive documentation on the many facets of international adoption and is proving to be a valuable resource in assisting the Desk in its co-ordination function, particularly in responding to emergencies such as the recent Vietnamese and Guatemalan situations. (b) The international component of the Desk will become fully operational following receipt of approval from the provinces and dissemination of the aforementioned documentation from abroad to provincial governments.

GROSS ANNUAL INCOME OF PERSONS RECEIVING UIC BENEFITS

Question No. 5,448—**Mr. Lawrence:**

Does Statistics Canada compile information concerning the gross annual income of persons who receive Unemployment Insurance benefits and, if so, in (a) 1974 (b) 1975 how many persons receiving Unemployment Insurance benefits had a gross annual income (i) in excess of $50,000 (ii) from $40,000 to $50,000 (iii) from $30,000 to $39,999 (iv) from $20,000 to $29,999 (v) from $10,000 to $19,999 (vi) of less than $10,000?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as Statistics Canada is concerned the data requested is not available from the department.

* * *

[English]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if questions Nos. 5,005

and 5,006 could be made orders for returns, these returns would be tabled immediately.

[*Text*]

LEAVE GRANTED TO MRS. EVA RYTEN

Question No. 5,005—Mr. Baker (Grenville-Carleton):

1. Has Mrs. Eva Ryten obtained from Statistics Canada or the Public Service Commission, educational leave towards a bachelor's degree and, if so, what was the (a) effective date (b) termination date of such leave and under what conditions was it granted, including pay arrangements, tuition and other institutional fees?

2. What will be the total government expenditure for such leave?

3. On what date did Mrs. Ryten ask in writing for educational leave and what was the reaction of her immediate superiors to such a request?

4. What were the (a) names (b) titles of Statistics Canada officials who authorized such leave?

5. On what date does Statistics Canada expect Mrs. Ryten to receive her first university degree?

6. Was the leave granted in conformity with Treasury Board guidelines and, if so, how did Statistics Canada justify its requirement for university education for Mrs. Ryten?

7. Is it Treasury Board policy to grant educational leave with pay to all federal employees, Canadian citizens or otherwise, who wish to improve their performance by acquiring a bachelor's degree?

8. Does Treasury Board intend to restrict the right for educational leave towards a bachelor's degree only to the SI occupational category?

9. How many public servants were granted educational leave, with pay, towards a bachelor's degree in (a) 1974 (b) 1975 and how many were Canadian citizens?

10. Did Mrs. Ryten recently apply for maternity leave with Statistics Canada and/or the Unemployment Insurance Commission and, in the latter case, for the purpose of obtaining maternity benefits under the provision of the Unemployment Insurance Act and, if so, was such leave granted and for what period of time?

11. Is Mrs. Ryten a Canadian citizen and, if not, did she apply for Canadian citizenship and, if so, as of what date?

12. On what date did Mrs. Ryten commence employment with Statistics Canada?

13. What was the (a) classification (b) salary range of the initial job taken by Mrs. Ryten?

14. What were the (a) names (b) titles of the members of the board which selected Mrs. Ryten for the position?

15. (a) How many candidates applied for the position (b) how many were Canadian citizens (c) how many held a university degree?

16. Did the educational requirements of the position include a minimum of a bachelor's degree?

17. Has Mrs. Ryten received any promotions in Statistics Canada and, if so (a) how many (b) what were the (i) job classifications (ii) salary ranges (c) what were the effective dates?

18. Did Mrs. Ryten travel on official business for the Department since her initial appointment and, if so, what (a) were the names (b) were the locations (c) were the daily rates of the hotels in which she stayed (d) was the total cost to the government?

Return tabled.

MR. JACOB RYTEN

Question No. 5,006—Mr. Baker (Grenville-Carleton):

1. Did Mr. Jacob Ryten travel on official business for Statistics Canada since his initial appointment and, if so, what (a) were the names (b) were the locations (c) were the daily rates of the hotels in which he stayed (d) was the total cost to the government?

2. On what date did Mr. Ryten commence employment with Statistics Canada?

[Mr. Blais.]

3. What salary range was (a) offered to (b) accepted by Mr. Ryten at the time of appointment?

4. What were the (a) names (b) titles of members of the board in Ottawa which selected Mr. Ryten for the position?

5. Were any members of the board in communication with Mr. Ryten before his appointment, while Mr. Ryten was still in Paris and, if so (a) what were the names of the members (b) what form of communication was used?

6. (a) Did Statistics Canada request the Public Service Commission to advertise the position which was subsequently offered to Mr. Ryten (b) was it advertised and, if so, (i) in what manner (ii) how many applications were received?

7. Were all applicants interviewed by the same board which selected Mr. Ryten and, if not, for what reason?

8. How many of the applicants (a) were Canadian citizens (b) held the equivalent of Mr. Ryten's academic qualifications of a bachelor's degree?

9. Did the government contribute financially to the cost incurred by Mr. Ryten on the occasion of his interview held in Ottawa in October, 1968, while Mr. Ryten was travelling from Paris to Tokyo, and, if so, in what amount?

10. Did the government contribute financially to the costs incurred by Mr. Ryten and his family during emigration from Paris to Canada via Tokyo and Vancouver and, if so, what were the costs and in what manner were they distributed?

11. Did Mr. Ryten's previous employer OECD, contribute to these expenses and, if so (a) in what amount (b) were vouchers presented to the government?

12. Did the Canadian authorities proceed in Mr. Ryten's immigration case in a routine fashion and, if not, what procedures were followed?

13. Was an attempt made to have security clearance waived for Mr. Ryten and, if so, what was the (a) name (b) government function of the person (i) who made the attempt (ii) to whom such request was addressed?

14. Was the person who made the attempt related to any members of the board which selected Mr. Ryten, or to any employee of Statistics Canada at that time?

15. Was the security clearance waived and, if so, for what reason?

16. Was the usual security check made in Portugal, the country of Mr. Ryten's citizenship, before the immigration visa was granted?

17. Did Statistics Canada exercise any pressure on the Canadian immigration authorities to shorten the normal immigration procedures, especially security clearance, for the benefit of Mr. Ryten and, if so, in what manner?

18. Was the senior Canadian immigration official stationed in Paris informed about any intervention on behalf of Mr. Ryten?

19. Has Mr. Ryten received promotions in Statistics Canada since his initial appointment and, if so, in each case, what was the (a) effective date (b) salary range?

Return tabled.

[*English*]

Mr. Blais: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTED DAY S.O. 58—POST OFFICE

House in committee of the whole for consideration and disposal of an item of the estimates for the year ending March 31, 1977—Mr. Laniel in the chair.

[*Translation*]

Post Office

Resolved, that a sum not exceeding $977,488,000 be granted to Her Majesty for the fiscal year ending March 31, 1977 (less the amount voted in interim supply) as follows: Vote 1—Operation expenditures, contributions and authorizations to spend receipts of the year for financial services and others—$977,488,000.

● (1240)

[*English*]

Mr. Dinsdale: Mr. Chairman, now we can get on with the business at hand for the day, after our little diversion. I trust that during the course of the day we will have the opportunity to deal with questions and answers in the committee which will raise specific issues that are concerning members of parliament from their various constituencies.

I am very happy to see the Postmaster General in his place, because I think the consideration of estimates in committee of the whole is one of the great losses to our parliamentary system. There was a time when we used to practice the basic principle of parliamentary democracy—no taxation without representation. The minister used to sit on the griddle until all the queries, questions and grievances had been dealt with, and only then was he allowed to proceed with his estimates. We are very circumscribed in the time allocation today, but at least we will have a chance to deal with specific problems.

The preamble to the estimates states that the basic function of Canada's Post Office Department is to provide postal services to the people of Canada at reasonable rates and a standard of service adequate to meet their needs without incurring subsidization from general taxation. I think we will discover today that the Post Office Department at present is meeting few, if any, of the exalted goals outlined in that statement. As we already indicated in the preliminary discussion, rates are increasing, complaints from the public are increasing, the deficit is increasing, and unfortunately the great principle that was first enunciated by the pioneers of the postal service, that it is the indispensable chain that binds the nation together, no longer has any validity.

I could go into some of the recent history of the decline of the Post Office but I will not take the time on this occasion to do that. The decision was made a few years ago to change the Post Office Department into a business with managerial expertise, to the neglect of public service and consumer and labour relations. I know the Postmaster General during his incumbency in the Post Office Department has been trying to overcome the errors that were made a few years ago, but obviously he has not been successful and he now takes the easier route of increasing postal rates in order to cover up the problems and the deficiencies of the postal service which have largely contributed to the increase in the Post Office deficit.

We need recite the fact of 24 illegal strikes in five years until 1975 to indicate where the labour relations situation stands. We can refer, and we will refer, to the marketing gimmicks that have come in rapid succession—very expensive ones—which have not dealt with the basic malaise of the Post Office Department. Indeed, many of these marketing gimmicks have led to more and more of the business fleeing to the private couriers. I wish to refer to the unhappiness as expressed by some replies to a question on the use of the courier services by government departments on March 15. Here is what the Unemployment Insurance Commission has to say. It expends some $375,000 annually in private courier service. It says:

> The Post Office Department cannot provide overnight delivery between the regional offices and the district offices... We must use private couriers to supplement existing Post Office services.

So much for the assured mail delivery program which came out a few years ago guaranteeing overnight service within particular areas. The Privy Council Office has something similar to say, "We require, urgently, prompt services outside Ottawa-Hull within 24 hours, and this cannot be guaranteed by the Post Office Department. Letters, documents or small packages which must reach their destination within a time limit which cannot be guaranteed by the Post Office Department, we send through courier route. Regular mail services were not used because they were not available, or couriers were faster and more economical. In addition, the Post Office could not give an assurance that mail could be delivered within the time limit required."

The statement made by the minister today indicates that the volume of mail has increased. I want to pose as my first question the following: How much of this is dependent upon the promotional work of the Post Office Department for Olympic stamps and coins? I get constant complaints, as I am sure do other hon. members, that the Post Office Department is contacting almost every householder in Canada with a slick package, urging them to buy either Olympic coins or Olympic stamps and I think the postage alone for this mailing is 20 cents plus the return mail. A more recent venture in this regard is the use of the telepost which is the new marketing facility which is supposed to speed up urgent business communications in Canada. In a telepost message that went out from the minister's office to, I presume, hundreds of thousands of people across Canada urging them to subscribe, we read the following words:

> As a previous patron of Canada's stamp sculpture program, you were personally informed by Mr. Mackasey of the introduction of series IV stamp sculptures. All orders addressed to Mr. Mackasey's office at the House of Commons will receive priority treatment. Olympic stamp sculptures are unique commemorative works of art and valuable items for serious collectors and investors. Minting and delivery time now just two weeks. Orders must be postmarked by deadline of May 15.

I believe a message like that costs about 75 cents each, which would account for a lot of the upsurge in Post Office business and revenue to which the minister referred in his report. One of the weaknesses of the Post Office Department has been its failure in public relations. I raised an issue in the question period some weeks ago with respect to this situation concerning the use of third class mail by

the Kinsmen Rehabilitation Foundation of British Columbia. They went into considerable detail in outlining the complaint. The only action that was achieved as a result of that complaint was that the public relations people came along and said that obviously the Kinsmen had not packaged the material properly, and if they had there would have been a greater response to the appeal on behalf of the disabled people of British Columbia.

Furthermore, there is a low return on the basis of this sort of mailing. The point that the foundation was making was that they did not want a public relations exercise; they wanted a customer relations exercise which would deal specifically with the complaint, because they were contemplating sending out 400,000 mailings if there could be an assurance and a guarantee that the mailing would reach the people concerned. So I raise that issue once again with the Postmaster General. It is not public relations which is wanted; it is good customer relations.

● (1250)

Administration of the Post Office Department is constantly under criticism, mainly because of the increase in managerial staff as compared with service and delivery staff. Executive, scientific and professional categories have tripled from 43 in recent years to the present number of 127. In eight years over-all employment in the Post Office Department has increased fron 39,180 to 60,524, but the large percentage increase has been in the executive, scientific and professional categories. This is a complaint which comes from the letter carriers and the postal workers who are the people who really provide the service directly to the public.

There is another inquiry I would like the Postmaster General to consider. The marketing branch has been active. There has been a new marketing manager appointed who is supposed to have expertise in this regard. Publications such as the communication publication, and now the new customer publication, have obviously taken a good part of the Post Office budget. In spite of this marketing and customer relations, customer complaints increased by 16.3 per cent between 1970 and 1975, and indemnities due to loss of mail have increased by substantial percentages.

The private courier matter has already been dealt with in the House, and in response to a question I asked recently the Postmaster General indicated that the Post Office is intending to go back into the courier business, which now takes about $70 million in revenue from the Post Office Department. The Postmaster General said he is aware that when they cream off the business, they are costing the taxpayer, and that his department is going to make a pitch for all of it. Well, that is a mixed blessing because obviously people are using the private couriers because they are providing people more efficient service than the Post Office. This is why so many government departments have moved in this direction. The Postmaster General and his officials will have to see to it that they can restore the confidence of the public if they are going to move back into this market. The experience in the United States is that with their increasing costs of postal delivery and their deficit, running at $1.5 billion currently, the post office department there is losing more and more of the business to competitors. Certainly an increase in rates without a corresponding increase in efficiency in Canada will not deal with the problem which was outlined in the minister's statement this morning.

[Mr. Dinsdale.]

Basic to the back of efficient services of the Post Office Department is the low morale of the employees. The strike situation points that cut, and we are hoping that there will be a happier relationship. I want to bring a few points to the attention of the minister. There is still indifference toward the human needs of the postal employees following the settlement of the contracts of last year. People are more important than machines, and I continually get the complaint that the employees at the managerial level keep talking about plugging the people into the automated system. The coder-sorter issue is still not resolved. For example, in the Vancouver post office, even though the assistant deputy minister says that the coding category must be changed to coder, sweeper and sorter, coders are still only coding. This was one of the big issues in the automation battle. The Taylor report is clear in this regard, and it was obvious that the plant managers are defying even the wishes of an assistant deputy minister at the level of Mr. Gordon Sinclair.

Consultation, which is important to human relations, is restricted to issuing an order. The National Film Board has been travelling from post office to post office doing a film on labour relations, and I imagine this will become available to the Postmaster General. I am sure he will find the comments of the employees informative in this regard.

The letter carriers raise the issue of the failure of the Post Office Department to provide house-to-house delivery to an increasing number of communities across the country. One of my colleagues will be dealing with this. This is the negative kind of restraint which does serious damage to the reputation of the Post Office Department because it fails to provide the basic services which are required.

The association of postal employees, which is in the bargaining process now, has reached an impasse. We discussed this in the House of Commons recently. They are faced with a situation where supervisors in certain categories are going to receive less income than the personnel they supervise. It has not been resolved in some categories. Now that the negotiations have reached the crucial stage it is impossible to bring the Post Office representatives back to the bargaining table because they cannot get a mandate from Treasury Board. I submit to the Postmaster General that the reason his officials are hesitating to come back to the bargaining table is that they have such a miserable offer to make, and the situation is going to be further aggravated because on July 1 there is to be a further 6 per cent increase, under the existing terms of the contract, to postal employees. The minister is aware of this.

He talks about industrial democracy. Industrial democracy requires real consultation where, as the minister himself has said, supervisors will no longer tell employees what to do and how to do it. The supervisors will ask the workers how they think it should be done, and restoring dignity and prestige of the postal employees is a huge job calling for adjustment at every level of management. As we approach the hour of adjournment, I remind the Postmaster General of those words and hope that he will be able to get real industrial democracy working in the Post Office Department. Perhaps the military posture of the Post Office is too deeply ingrained. There are still postmas-

ters around who expect their workers to come to attention in their presence. I am sure the hon. gentleman agrees that this is not conducive to good human relations. The very term "Postmaster General" has military overtones, and I trust that in his actual contacts with the employees he will not aggravate that image by the posture he assumes.

Mr. Knowles (Winnipeg North Centre): One o'clock.

The Chairman: It being one o'clock, I do now leave the chair until two o'clock.

At 1.01 p.m. the committee took recess.

AFTER RECESS

The committee resumed at 2 p.m.

Mr. Orlikow: Mr. Chairman, we had an opportunity today to discuss the problems of the Post Office—the delivery of mail, which is considered by many people to be unsatisfactory, the large deficit the department has experienced in recent years and will undoubtedly face in the coming year, and the announcement by the minister this morning that in an effort to reduce the size of the deficit he proposes to increase the cost of first-class mail by some 50 per cent in the next year.

Undoubtedly, part of the reason for the problems in the Post Office can be found in the very bad relationships that exist between senior officials in the department and the employees. Because I do not want to be accused of being partisan—which I am, and which I admit—let me put on the record a description of the situation in the Post Office given by none other than the Postmaster General in a letter which appeared in the *Globe and Mail* on April 25, 1975. I shall only read part of the letter, Mr. Chairman, but I think it describes the situation much more eloquently than I could ever hope to. In that letter the Postmaster General said:

> One can make a strong case that the workers are extremely militant—that their productivity leaves much to be desired; that they have continuously taken the law into their own hands, and, on some occasions resorted to violence.

In the year or more since that letter was written the Postmaster General has told this House frequently—in fact, I would say ad nauseam—how true that statement is. The letter continues:

> But one can make an equally strong case that the employer, that is, the government, over a long period of time, has been anything but a model employer. As a member of government, I accept my share of responsibility and single out no individual as more responsible or less responsible for this fact.
>
> Inadequate compensation, work places that are a disgrace, uneven managerial policy, regimentation that at times has bordered on a military mentality, has, over the years, resulted in a slow but steady reduction in morale, in pride of association and in inevitable hostility on the part of the workers.

Later in the letter he said:

> As a government, we have an obligation to be at least as good an employer as the more enlightened employers in the private sector. I believe that this is now well understood—both among my colleagues, and, perhaps more important in this bureaucratic jungle, understood by the bureaucrats.

When the hon. member for Brandon-Souris was speaking, one of my Social Credit colleagues said, "I have heard all these things before". That is true, unfortunately. We have to make essentially the same speeches because the more the minister speaks, the less things change. I turned up some old files, Mr. Chairman, and found an article published in the Montreal *Gazette* in 1974, written by George Radwanski, in which he summarized a report made in 1966 by Mr. Justice Montpetit who had investigated the situation in the Post Office. I should like to quote a couple of paragraphs of the report of Mr. Justice Montpetit:

● (1410)

> A large number of the Post Office employees' grievances are, first and foremost, human relations problems.
>
> Except in one or two districts, the attitude of some supervisors and postmasters toward their employees leaves much to be desired. These people have only a vague notion of the importance of maintaining good relations with their staff . . .
>
> A well conceived policy of consultation and of exchange of viewpoints at all levels becomes essential. The dialogue must not become a mere formality to which one has to submit and which is considered more or less a waste of time or mere idle chatter. Nor must it become a one-sided conversation.

Nothing has changed since Mr. Justice Montpetit made that report. The minister may say that things have changed. The Letter Carriers' Union, which had a much better relationship with the minister and the department than the Canadian Union of Postal Workers, commissioned a study some years later by Professor Vanderberg, a professor of economics at Carleton University. He found:

> —still inadequate consultation at the root of postal employees' grievances.
>
> Harmonious industrial relations cannot be achieved without a meaningful airing of views.
>
> The initiative for the inauguration of such discussion on any topic logically rests with the party which is considering the implementation of a new policy.

It is the Post Office which decided to make major technological changes. It decided to automate the sorting of mail and everything else. No one in this party ever questioned, nor do we question now, the necessity of using the most modern methods for sorting and delivering mail. We recognize that sorting mail by hand would make it prohibitive, cost-wise. We realize that without using the latest techniques the mail service would be slowed to such an extent that people would no longer use it.

I do not believe that the postal workers, certainly never publicly, or their union officials have ever opposed automation. However, they have a very legitimate concern. Automation should not be brought in at their expense. Masses of workers should not be laid off. If money is saved through the use of automatic equipment, the workers should get part of the benefits. From that point of view they are no different from workers in private industry.

In the Post Office we have continual objection and guerilla warfare against these feelings of the workers. Let me illustrate very briefly. When the sorting equipment was brought in, the rate of pay for the sorters was set much lower than the rate for hand sorting. You do not have to be an expert in work procedure to know that watching an automatic sorter handling thousands of letters a minute is a lot more difficult than sorting by hand. However, the Post Office, Treasury Board or whoever

makes these decisions, insisted on this. It took months of threats and strikes before the Post Office agreed to at least pay the same amount per hour to those manning the automatic sorting machines.

Professor Vanderberg and Mr. Justice Montpetit talked about consultation. The postal workers were worried about the effects of automation on their employment, and there was a bitter strike. In the new collective agreement in which this minister was involved there is a clause to the effect that there shall be discussion and agreement with regard to any new automatic equipment being brought in. Did that happen? No. Last week the union tried to take the Post Office to court, claiming that a new post office had been begun in New Brunswick without the role of the workers being worked out in advance.

Mr. Breau: That was in Newfoundland.

Mr. Orlikow: Newfoundland, I am sorry. The case was dismissed by the court. I do not say the workers were right in that or any other case. However, if the workers felt so strongly about not being consulted that they went to court, the bargaining process has in fact broken down. I say that even if the workers were wrong, because this should have been settled before it was necessary to go to court. I am sure there are still hundreds of thousands, and I say this advisedly, of grievance cases filed by the union. Why? Because nothing is ever settled voluntarily by the Post Office.

I know we are dealing with a union which has a reputation for being very militant. It is not the easiest thing in the world to settle disputes with a militant union, but it takes two to tango, it takes two to have a fight. I am not convinced, by anything I have seen since coming to parliament, that those occupying the senior positions in the Post Office Department do not want to fight. Why are there so many grievances? I am told that if the department loses at a relatively low stage of grievance procedure, it appeals to the ajudicator. If the decision of the adjudicator is not to the liking of the department, they take the case to court. That means delays of months or years. It costs the unions thousands of dollars. That is not the way to get co-operation and to boost morale. In addition, I am told that if a decision at any level is in favour of the position taken by the union, the Post Office Department takes the position that all that has been settled is one particular case. If there are 50 other cases of a similar nature, the union must fight each one individually.

This situation has gone on for a long time. I remember making the same kind of appeal to a former postmaster general, Mr. Kierans. I suggested to him that the almost military organization and discipline which the present Postmaster General spoke of in the letter from which I quoted no longer meets the needs of the country or the Post Office. That condition has existed since the Post Office began. I suggest it is time to get rid of that system.

● (1420)

If it is necessary, in order to get rid of that system, to begin by getting rid of most of those who occupy the top positions in the Post Office itself, particularly those involved in labour-management, this is what ought to be done. I made that suggestion six or seven years ago, and I make it again to the present minister. I say to the hon. gentleman publicly what I say to him privately—that I have a great deal of respect for him. He has demonstrated on more than one occasion that he is a friend of working people. I would have expected that he would at least have begun the job of changing the situation in the top levels of the Post Office Department, so that we could hope to see an improvement in the relationship between the unions and the department as well as between the employees and the department.

I am confident that regardless of the tens of millions of dollars we are spending on automating and renovating the system, we shall not benefit from an efficient postal delivery system until we have created a situation in which the employees are happy, proud of working for the Post Office and prepared to do a fair day's work in return for a fair day's pay. I believe they are getting a fair day's pay and I want them to do a fair day's work. I believe they will do so when they get human and decent consideration from the people who direct the work of the department.

The minister has had a difficult year. He has been through some bruising battles with the postal workers and their unions, and I want to say to him, as I have said elsewhere, that there were faults on both sides. I hope both sides can forget what has happened in the past and use their efforts to change the situation in such a way as to provide the kind of postal service of which people can be proud. I hope the minister will give the kind of leadership which most of us expect him to give, although I must say I have seen little sign of it so far.

Mr. Martin: Mr. Chairman, I want to spend my time this afternoon by addressing a few questions to the minister in the hope of eliciting some information on a few matters which are of great interest to the Canadian public. The first aspect I should like to explore relates to a question I asked in the House a year or so ago: whether the minister and his officials had taken steps to upgrade studies which had been carried out under an earlier regime into the possibility of placing the services presently carried out by the Post Office Department under the direction of a Crown corporation. Has the hon. gentleman investigated this possibility and weighed the advantages, or disadvantages, of following such a course?

At the time I asked my question, the minister suggested I should read an article in *Time* magazine showing that the United States post office had experienced huge deficits after following that route and placing its post office under the control of an independent agency. Recently, too, we have read about the difficulties the United Kingdom is experiencing in this regard. Nevertheless, the fact that there have been problems in other countries ought not, in my view, to prevent us looking at the Canadian scene and asking ourselves whether a change should not be considered here.

In this connection, I would refer to the comments made by the previous speaker on the subject of the relationship between management and unions in the Post Office Department. It seems to me that if the whole organization were brought under the roof of a Crown corporation, certain advantages would follow—advantages of the kind enjoyed, for example, by Ontario Hydro and other public utilities. Management and staff could get together to iron

out their problems without being involved, for example, with the Public Service Commission, as is the case with the Post Office.

There would be other benefits. The corporation would be able to plan and build its own buildings, put in the facilities needed, without having to turn to another department of government. The analogy that occurs to me is that of the distribution of electricity in my own province of Ontario. I think it is accepted that had this service been left in the early days of the century to a department of the provincial government, our lights would still be flickering. Instead, the responsibility was handed over to a Crown corporation, and I believe most people would say that it has been handled in a most efficient manner. Management has, over the years, tended to be extremely good. Perhaps the minister would comment on this aspect.

Mr. Mackasey: Mr. Chairman, I did forgo my right to make a formal speech at the opening of the debate in deference to hon. members who might wish to ask questions. I realize that this is a short day. I hope to express my philosophy in more general terms when I have an opportunity to wind up the debate later.

The idea of a Crown corporation has many attractions, and the hon. member has touched on some of them. My own thinking, as Postmaster General for several years, is that the efficiency of the Post Office could be improved somewhat if the Post Office were treated not exactly as a Crown corporation in the sense that Air Canada is a Crown corporation, but if it were brought in under another schedule, like the Mint, for example. Let me explain why I say this. In a moment of frustration two years ago I said the only role I had in opening a post office was to cut the ribbon—and I did not even get to choose the colour the ribbon would be. Post offices are built, and priorities determined, by the Department of Public Works. Machinery and equipment is bought by the Department of Supply and Services. Hiring and firing is done by the Public Service Commission.

● (1430)

A good part of my time is spent consulting with other departments and doing things we could do with much greater efficiency were the Post Office given a special status. That need not necessarily be a Crown corporation. I could explain the reasons for my reluctance to go all the way and to set up a Crown corporation, but this would take too much time. It is perhaps related to costs and to the unhappy situation in the United States where the post office is very close to a Crown corporation but still subject to a lot of political interference in regard to establishing rates and things of that nature.

So if I may sum up my reply to the hon. member for Scarborough West, yes, I think there should be special status for the Post Office in relation to the government and to other government departments, preferably along the lines of other organizations that come under government control, but with more of a "hands off" type of approach than is now the case. Thus, the Post Office would have a greater degree of autonomy in determining the day to day operation of the Post Office without having to solicit, enjoin, seduce, coerce, or call it what you will, other departments in order to obtain what we sometimes think should be priority items for the Post Office but other departments do not.

The approach of a Crown corporation is appealing and deceptively so. Perhaps it is a little too simplistic. I think a happy medium could be found between the present status of the Post Office as a department of government and a full time Crown corporation. There are dozens of these, and I could name them all; indeed, there are a number of schedules. I think that the Post Office sooner or later—and preferably sooner than later—should be put under another schedule.

The Deputy Chairman: The hon. member for Churchill.

Mr. Martin: Mr. Chairman, on a point of order, my understanding in discussions with the Chair earlier was that it was appropriate for members to take their 20 minutes and use them by asking the minister questions if they so wished. That is the process that I was following and I had not consumed more than 50 per cent of my time.

The Deputy Chairman: That is my understanding also. The hon. member for Scarborough West.

Mr. Martin: Thank you, Mr. Chairman. I am very much encouraged by the comments of the Postmaster General in this connection. The suggestion of establishing a Crown corporation was really an expression of hope that the Post Office would move away from being a direct government department. I think the Canadian public in general would very much endorse the kind of proposal that the Postmaster General has put forward this afternoon. If we stop short of making the Post Office Department a full Crown corporation, it should at least be able to operate entirely on its own, in essence unfettered by having to go to various other government departments simply to stay in business and to render an efficient service to the people in a very basic area.

The next point that I want to make relates to the statement made by the minister a little earlier this afternoon. The Canadian public is going to be asked—indeed, it is going to be told—to face a 25 per cent increase in first-class mail rates as of September 1, followed by a further 20 per cent increase as of March 1 next year. The combination of these two increases represents a 50 per cent increase over the rates that will be in effect on August 31 of this year.

I think I understand the argument that the Post Office does indeed lose money, that therefore any increase in the rates, so long as it does not produce a profit for the Post Office, can be justified even under the guidelines of the Anti-Inflation Board. In other words, no new profit is being generated because there was never a profit in the first place, and there will still be no profit.

However, Mr. Chairman, what I find difficult to accept—and I think the people in my constituency and across the country will find difficult to accept—is the imposition by the government of very substantial increases in a service which in this particular case is, I think we must accept, certainly not quite up to scratch at the present time, for whatever reason. I say for whatever reason; they may be many and varied. Nevertheless, the fact remains this is a service the government is offering the people of Canada

which simply is not up to the degree of efficiency which I think the public is entitled to expect and receive.

In effect, the Post Office is saying, "Look, we are doing our best, but we are going to have to increase our rates by 25 per cent". No company in business today is allowed an increase of that amount, and I think quite properly so under the anti-inflation guidelines. Nevertheless, the government is doing so in one particular service area. It then will compound the situation six months later by throwing at the public another 20 per cent increase.

I am sure that the Postmaster General can establish, on straight economic grounds, that indeed the Post Office is not making a profit, and that therefore we should endeavour to cut back on government expenditures that would otherwise have to be provided to finance a larger deficit. But I think we need a clearcut explanation, which we as members of parliament can take back to our constituents, of the kind of matters mentioned earlier by the Postmaster General. We should indeed examine the idea of making the Post Office a separate organization outside of government. We must do all we can to increase the degree of efficiency. It is also important that the public be persuaded somehow or other to accept this at a time when they are asked to pay more for the service.

We know that many businesses today who can afford to do so are saying no thank you to the services offered by the government's Post Office. Instead they are employing a private service. The growth of private mail couriers has been fantastic over the past few years. But the problem is that private mail services are really only available to those who can afford them, such as medium-sized and large businesses. There is no question that they are more expensive. Nevertheless, there comes a point in the business world where you have to be assured that your mail is going to arrive at its destination and that you do receive the mail that is dispatched to you, because money is involved, the basic foundation of all business.

However, individual members of the public cannot afford to switch. They must put on their 10-cent or 12-cent stamp, as the case may be, and depend on the government service to deliver their letters to the places they are supposed to go. Increasingly I am being asked whether this service is being properly performed.

I wonder whether, Mr. Chairman, I can combine my two points in a question to the minister. Would the minister in some way or other assure the Canadian public, through this House, that everything will continue to be done to improve those areas of postal service today that are still lacking? Will he continue to search out the areas of real weakness, and do so prior to the first of the new increases coming into vogue?

In addition, he might look into the matter of the private couriers, determine how much business they are skimming away, and see if there is any way in which people using the private couriers can be encouraged to return to the government service. There are two ways of cutting costs. If we get more business, which means more revenue, since a lot of our expenses are fixed the net deficit of the Post Office will be reduced. I am concerned at the falling off of business at the present time, and the signs are it is increasingly falling off. This will further hamper the ability of the Post Office to break even or to limit its losses to a reasonable amount.

● (1440)

Mr. Mackasey: Mr. Chairman, in order to keep my answer short, I should inform the hon. gentleman that I covered a lot of these points in my general remarks this morning, particularly the point in respect of percentages. Perhaps I am kind of conditioned to percentages from my years as minister of labour. Someone the other day said he had doubled his daughter's weekly allowance. It went up 100 per cent, from 25 cents to 50 cents.

So percentages are meaningful only if they are tied to a base period, and this is one of the weaknesses of statistics. It is one thing to say that we have increased the cost of a stamp to the average Canadian by 25 per cent. It is equally true to say that since the average Canadian writes four letters a year, with this increase of two cents it will mean an increase in cost to the average citizen of eight cents a year. Assuming that we are wrong in that regard, it would mean an increase, on the average, of only 15 cents a year to the individual considering that Canadians do not write many letters, and 80 per cent of our volume comes from 20 per cent of our business community, I do not think this will have a detrimental effect in so far as inflation is concerned. I will talk about the effect on the business community a little later.

The hon. gentleman made an extremely valid point, and perhaps it accentuates exactly what I am saying. As I mentioned earlier today, even with our proposed increases, which are phased in over almost a year, ours is still the cheapest or most inexpensive first-class mail service in the world.

An hon. Member: And the slowest.

Mr. Mackasey: Let us take the extreme. When we do reach the 12-cent cost, compared with the cost of first-class mail in West Germany and in other countries, which is now over 20 cents and in some cases 25 cents, with penalties for odd-shaped envelopes, and the rest of it, I do not think our service costs very much. The hon. gentleman also referred to courier service and I intend to refer to that in depth in my speech. He made it quite clear that people are quite prepared to pay substantial sums of money for courier service if they can get assured mail delivery. This is really what people are looking for. I am not as concerned about the increase, which is nominal, but rather about whether the people are going to get the service.

It might be of interest to the hon. gentleman and to other members of the House to know that most private carriers did not operate nationally during the strike. They did not make a great deal of money not because they were overloaded. They had no facilities from Toronto to Montreal, from Toronto to North Bay or to Vancouver. The reason they did not have the facilities is that they use the Canadian Post Office.

Mr. Smith (Churchill): Mr. Chairman, it gives me pleasure to be able to speak on the Post Office estimates today. I should like to confine my remarks to northern mail service in our country. Many years ago, but as recently as 1950, people in the north were receiving their mail by a man on

snowshoes, carrying a pack. They then advanced to the use of dog teams. At least at that time they knew they were going to get mail once a year. That is not the situation now in at least three post offices in northern Manitoba, namely, Poplar River, Garden Hill and Wasagamack. This increase in the postal rates really does not affect the people in those communities. They could not care if it was 50 cents a letter because at the present time they do not have postal service at all in their communities.

Let me first speak of the community of Garden Hill. You may think this is a small community of 150 people, but there are 1,200 people living in Garden Hill. Their family allowances, their hydro bills and their old age pension cheques come in by mail. On April 1, 1976, an auditor arrived from the Post Office Department. According to the rules, I suppose an auditor can check the books. In any event, he did audit the books and found some sort of a discrepancy in the accounting procedure and he immediately closed the post office. That post office is still not open.

It took 23 days to advertise the opening of a position for a new postmaster. I am led to believe it took this long because when it was being advertised the advertisement first had to go to Ottawa to the Postmaster General in case he had someone he wanted to appoint to that job. This caused a delay. People in that community since the closing of that post office have not been receiving their hydro bills through the mail. As a result, many of them had their electric services completely cut off. Many old age pensioners have not received their cheques. They were told by the Post Office Department that mail could be picked up in Winnipeg, but that is 280 air miles away.

The community of Island Lake does not have telephone service, does not have television and there are no roads to the community. The only link the people have with the outside world is by mail. At least when the mail was packed in by a man on snowshoes they were sure of getting mail once a year. Under the present system they are no longer certain of that. Let me also point out the importance and gravity of this situation in respect of those people who are on medication. They depend on receiving this medication by mail. When the mail service was stopped many of these people had to turn to the airlines and have their medication shipped in by air express. This is a costly item for people on old age security. The same is true in respect of eyeglass prescriptions, and so on.

The irony of the situation is that if an accounting discrepancy such as this occurred in a community closer to the hub or the capital of the nation, I do not think the people would stand idly by while the Post Office Department took that sort of action. I do not know what the Post Office is trying to do. It waited for 23 days in this case before advertising for a new postmaster. Obviously, the process takes several months to accomplish. In the meantime, the department says the postmaster or the band of Indians which looked after the mail service had done something wrong so they are being penalized by not having mail service for three months.

Another northern community, Poplar River, which is 300 air miles from Winnipeg, has not had mail service since the end of February. It took the postal department from the end of January until April 6 to advertise for a new postmaster. The people of this community were told in a letter that they could pick up their mail at Selkirk, which is 300 air miles away. This community also has no roads, no telephones, and so on. How do we expect these communities to operate?

When I post a letter and put an 8-cent stamp on it, or a 12-cent stamp, which will be the case in the future, it seems to me there is a guarantee that the letter will be delivered to the person to whom it is addressed. I have a number of pieces of correspondence from the people in these isolated communites which were sent out by carriers, such as a pilot or somebody who happened to be going out. They have told me they have not even been able to get repairs for some of their small outboard motors because normally the parts are ordered by mail.

The postal department has tied up these communities without any thought whatsoever for the convenience of the people. We are not just talking about 1,200 people in one community, but 400 in another, 300 in another, and right across the country. I cannot see why the postal authorities should be allowed to just walk in and close down a post office because of a discrepancy, without giving the community any opportunity whatsoever of reimbursing the post office for the loss. It has never been proven to me that there was a discrepancy; it has only been mentioned in several letters. The people of these communities are pleading for their postal services back. They are saying that perhaps something wrong was done, but they have been penalized now by a loss of service for a period of 3½ to 4 months; they have done their penance and should now have mail service.

● (1450)

The other matter I should like to mention at this time is the manner in which mail is handled throughout the north. It would seem that long-term contracts are handed out to mail couriers. These can become obsolete with the discontinuation of air service and because of a more convenient way to get mail to certain areas of the north. I have written the Post Office inquiring about this but have received no positive response other than that this has been the system for years and cannot be changed.

I would ask that these problems be looked into and that some action be taken on them immediately because, as I said before, this mail service is the vital link for all the north. Without mail service the community is absolutely dead. The Department of Indian Affairs and Northern Development, which is responsible for the treaty Indian people in these three communities I mentioned, I do not think really has taken any initiative in going to the Postmaster General to see whether this matter could be straightened out. I hope the Postmaster General is not even aware that this is happening and that it is a nightmare case that can be blamed on the regional or district office.

I do not blame this Postmaster General for not taking action if he did not know the situation existed. I mentioned, in the case of Island Lake, that I did see a piece of correspondence which indicated that the community would receive its mail from another post office eight miles away. To the people down here this distance may not look great, but to the people in the community that eight miles

represents a journey across water, and at breakup in the spring these people are without service for at least six weeks. At other times, if they want to get their mail they have to travel by means of outboard motor a distance of six miles. Also, that is only in respect of first-class mail. They cannot receive clothing parcels or anything like that through the mail. The people have been paying 8 cents and will be paying 12 cents. I do not think they argue about the increase in the rate, but they would like to have service. I think that is where the emphasis should be placed.

If we could guarantee service to the people in these three communities I think they would gladly pay 50 cents a letter, but they would like the privilege of being able to post a letter.

Mr. Mackasey: Mr. Chairman, I should like to reply briefly to the hon. member for Churchill with whom I have a great deal of communication because he does very assiduously concern himself with the problem of mail delivery in the north, which is a type of business I do not think private enterprise would want. We have 8,600 post offices in Canada. The people of the north deserve the best possible treatment that can be afforded them. I think philosophically we agree. On the few occasions on which he has brought matters to my attention, I have tried to act on them. I think he will agree that that is so. He said I have the right to name postmasters. It seems that I have missed out after all these years on some patronage, because I have not named a postmaster since I have been Postmaster General. I shall inquire why I was not made aware of my privileges in this regard.

I am aware of the situation at Garden Hill. If we were to defend ourselves adequately, we could cause some harm to people and I prefer not to do that. I might speak generally about this deficit. This particular community is involved in a deficit of $10,000, which is a lot of taxpayers, money, going back to 1973. The arrangement in respect of the choice of Winnipeg as an alternate source of obtaining mail in the interval while the dispute is being settled has virtually been completed. It was not our choice. It was the choice of the band. We had suggested the Hudson Bay post, which is only nine miles away. The hon. gentleman says that this is a long distance in the north. However, they opted for a distance of 300 miles possibly because of a matter of principle or rivalry, although I am not sure what the reason is.

We have an obligation to collect deficits and close the post offices which we think are inefficient. Fraud may not be involved here. It may merely be a lack of carrying out the rules. These deficits are established. The procedure is painful. We tried to find another post office and another postmaster in this area. We have agreed with the representatives of the people affected to establish very early in the week the precise amount we think is owing. We have discussed the matter with the band in great depth and hope to have a meeting very shortly. This matter, which is of particular significance to many Indian people who depend on the mail, I do not think is entirely a problem involving the Post Office. The problem is that we cannot continue the procedure which ran up the deficit which has existed since 1973. This is a deficit in the sense of money owing to the Crown or the taxpayers of Canada which has not been turned over to them. This, basically, is the problem in this particular area. Our alternative was to use the post office nine miles away, but the band preferred to use Winnipeg. I am aware of the problem. There has been continuing dialogue and discussion over the last few weeks. The matter should be resolved very rapidly.

[Mr. Smith (Churchill).]

Mr. Kaplan: Mr. Chairman, as the members of this House know, I am a supporter of the government. I am a proud supporter of the government and in particular of the government's restraint program. However, while I support the restraint program I wish to bring the attention of this House to a decision taken by the Postmaster General which I find unacceptable. I shall ask him if he will reconsider that decision.

My constituency of York Centre in the northern part of Toronto is almost a fully built-up and occupied area. In a rather dense development a street, Blackhawk Way, is being finished on which there will be townhouses and an apartment building. At the moment there are 24 townhouses. By the time the development is completed there will be 129 homes. People have already begun to move in. In fact, there have been people living on the street for a few months. They have been unable to obtain postal service in that area. I wrote the minister about this. It would seem to me that normal postal service should be extended to an area like this inasmuch as the street is completed and people are living there. The minister replied on April 15, telling me that the federal policy of restraint on spending prevented his adding another postman in that particular area.

Surely something can be done about this problem. If the restraint program is to be applied to the Post Office, and I do not disagree with that, it should not be applied in a discriminatory way in respect of the development of new services. The people who live in this postal area are entitled to have their mail delivered in the same way it is delivered to other people in the area. I am told that although there are only 24 new households on this walk, the postmen on either side already have a full schedule of households and that under the union agreement neither of them is permitted to add even these extra 24 homes on the street and which are now occupied.

● (1500)

I would think that between a more equitable application of the controls program and some reasonable discussion with the postmen concerned on either side and with their bargaining representatives, it might be possible to return to doing the job which the Post Office is bound to do, which is to deliver the mail to the people living in that area. I hope that the minister will have some good news for us.

I was particularly disturbed—and I will conclude with that—to see him note in the letter that it would be necessary to wait until the limitations or restraints are removed. This restraint program is in effect for three years. Does that mean that the people on Blackhawk Way in north Toronto will have to wait for three years before they can start to get postal delivery? I would remind the minister that the Post Office, to which they have been invited to walk, is over a mile away from some of the houses on that street.

Mr. Mackasey: Mr. Chairman, I will be ambivalent here. These cases come up all the time. I am quite pleased that a Liberal member asks me this question because I have been accused of favouring Liberal members. But now we have heard a negative representation from a Liberal.

The fact is that many thousands of Canadians do not have door to door delivery. Here it is a matter of lack of co-operation by the unions. It is the unions which spelled out in the agreement the number of pieces of mail mailmen can be expected to deliver in eight hours. We will have another look at this particular problem presented by the hon. gentleman, but I wish to point out in general that there are limitations on the size of the work force which were not imposed by the Postmaster General but rather by the size of the budget, the restrictions and the directives of the Treasury Board in light of the government restraint policy. This means that there are many Canadians who will be inconvenienced to the point sometimes of having to walk a mile to pick up their mail rather than having it delivered door to door.

The question is whether there should be a restructuring of the routes with the co-operation of the union, or whether by some other method we can implement door to door delivery in the hon. gentleman's riding. We will review this again, but I want the hon. member to know that there are hundreds of such cases across Canada at present and the only way in which we could satisfy every request would be possibly to hire another 50 or 100 letter carriers at a time when we do not have such a mandate. We are trying to accommodate as many people as possible by continually reviewing our route structure and the workload of the postal employees because I do agree that, as a general principle, wherever the population warrants it Canadians should have mail delivery door to door.

Mr. Jelinek: Mr. Chairman, I am taking part in these discussions today for many reasons which not only concern myself but Canadians from coast to coast. The primary reason of course is the general inefficiency of the Post Office as a whole, and I am glad to see that even the parliamentary secretaries on the other side are in opposition to the way in which the Post Office is being run.

However, before I begin my remarks, and in fairness to my friend, the Postmaster General, I want to take this opportunity to offer my belated condolences to him for inheriting the department in the mess in which it is in, a mess which probably the Post Office Department has never seen in the history of the mail service. He inherited it from the former minister, the hon. member for Papineau, who will probably go down in history not only as the most incompetent minister but certainly as most untrustworthy, as witnessed by his resignation as minister of consumer and corporate affairs.

Some hon. Members: Oh, oh!

Mr. Jelinek: Because coincidentally the Postmaster General has acquired that portfolio as well from the hon. member for Papineau, I sympathize with him doubly. The only consolation that he can have is that the former minister was not minister of consumer and corporate affairs long enough to bring that department down to the all time low to which he brought the Post Office.

In any case the major concerns regarding the Post Office were ably presented by my colleague, the hon. member for Brandon-Souris, who so eloquently brought to light the many inefficiencies and mismanagement in the Post Office. Because of my concern regarding strikes and walk-outs, particularly within the Post Office and other essential services, I would like to find out from the minister whether he or indeed the government has any long range suggestions to overcome the labour unrest which plagued us in the past.

We all know that in just five years the Post Office had a total of 24 illegal strikes around the country, causing untold inconveniences and hardships for the public and for industry. They were the cause of many bankruptcies within the segment of our economy which forms the backbone of our industrial life, and I am of course referring to the small businessman who seems to be neglected by large governments, large unions, and large multinational corporations each day. Because of the fact that he is a small businessman he is unable to do very much, if anything, on his own to overcome his problems. Yet this government, and specifically the Post Office Department, deals with these illegal and other strikes on a day by day basis as it does with almost everything, rather than establishing a comprehensive long range program to deal with matters relating to labour unrest mainly in essential services such as that provided by the Post Office. In this regard it is no secret that I, along with the majority of my constituents, would like to see the right to strike taken away from individuals and groups of individuals within areas that adversely affect the well-being of our nation, and of course the starting point could be the Post Office.

There are other general and pertinent questions which must be answered, such as the fact that federal departments, because of their dissatisfaction with the unreliable mail service are now resorting to the use of couriers, and the rising amount of theft and loss within the Post Office. I understand that the Post Office has admitted to a loss of nearly half a million pieces in the last five years alone. This is a disgrace, it is unbelievable.

Another such matter is the unrealistic deficit within the Post Office, the fact that operating expenses have increased by 24.6 per cent, a matter which is hard to comprehend when the same government under which the Post Office Department operates is advocating guidelines and controls to be applied by the rest of the country far below that level. It can be easily said: do unto others as you do unto yourself. But unfortunately this is not the case with the government.

I could go on and on about the mish-mash of inefficiencies and mismanagement within the department, not only under the minister's predecessor but under the minister himself, but, as I said at the outset, my colleagues who spoke before me today and those who will follow me this afternoon will speak in detail on these questions which should and indeed must be answered for the benefit of all Canadians.

I would now like to dwell on a more specific subject which relates to the minister's responsibility with regard to the Olympics. I am of course referring to the Olympic coins, stamps, and medallions so far as production, sales, distribution and, I hope, profits are concerned. I am certain

that, unlike the minister's predecessor, the Postmaster General will not in answer to my questions relating to the Olympics bring forth racial discrimination as did his predecessor on every occasion that I brought the matter of the Olympics before the House.

The minister knows very well that I am and always have been very concerned about the way in which the Olympics have been handled so far as the financing and staging of the games is concerned. He knows also that I have attempted to co-operate with the government on this matter to the best of my ability.

● (1510)

However, in this respect let me begin by saying that the result of the coin and stamp programs to date is a far cry from the objective the Post Office set as a goal when the Olympic Act passed through this House two years or so ago. In fact, what had been realized in net profits compared with the original projected forecast by the Post Office is a disgrace. Instead of net profits of $250 million, total sales of Olympic coins as of September 30—sales, not profit—were only $141 million, which is bad enough, but what is worse is that the net profit was less than $35 million, and even now with just months remaining before the program ceases to exist in accordance with the legislation, the forecasts by the coin department indicate that the silver coins alone will contribute $150 million toward the capital cost of the games. That is a nice fat figure, but it is still $100 million less than was originally projected. How can we trust or believe that projection when, out of the seven series, four series realized less than $35 million?

There are only three series to go, and I realize that there are still some coins from the other series yet to be sold, but certainly that $150 million goal at this stage of the game, although it is $100 million behind, is still unrealistic. We simply cannot believe the predictions, based on past performances, and when the minister gets a chance to answer this specific question I would like him to do so.

The minister and the managing director of the program, Mr. Austin Page, boast that no other company or industry in Canada has been as successful as the coin program was under the Postmaster General with regard to net profits. I can only say that no other business has the federal government printing or minting coins in that regard. It is as simple as that. I know the minister will be happy to explain these forecasts. I am sure he will explain why, with all the spending going on, such a concentrated continuation of advertising is taking place in the United States, for example.

I realize that to sell you have to advertise, but it has been proven that in the United States the program has been a disaster. Less than 10 per cent of the total sales have been made in the United States. The advertising program must be very expensive. I will wait for the minister to come up with that figure, but I doubt whether it is worth while at this stage of the game. I think it is really a waste of money.

There are other areas which we cannot understand. What about having to absorb the $1.6 million of the cost in the bank programs within the United States, or the $600,000 advertising costs which have to be absorbed as a result of the Canadian re-solicitation program? I wish the minister—and I know he has difficulty doing this, and I have great respect for him, but I am concerned about the programs in his department—on behalf of the program and his department would own up to the fact that there is no doubt in anyone's mind about the inefficient personnel within his department and the Olympic coin program, at least in the area of projections. There has been a total failure in projections, and we cannot continue to believe the projections at this late stage.

I also wish the minister would come clean in this regard, as he often does, and lay the facts on the table as they really are by admitting, unfortunate as it may be, that the coin program has been a big failure, and by producing realistic forecasts which can be trusted, as opposed to past performances. Once that can be counted on we can try to figure out what deficit or what part of the deficit will be able to be absorbed with regard to this coin situation.

Still on the coin side, it would be good to know how many coins are yet to be minted. These are very pertinent questions, and I would like to get the minister's attention now. I know I have been going on at length with regard to the coins, but how many coins are yet to be minted, if any, both in the silver and gold categories? What are the plans for the unsold coins, and is consideration being given to the possibility of continuing the program into 1977? The minister knows that according to the legislation the program will end at the end of this year.

I think the same questions must be answered with regard to the Olympic stamp situation as well, and more than that I understand it to be a fact that there exists a huge surplus of Olympic stamps on hand with little if any possibility of disposing of these stamps on a regular basis. It seems to me that the stamp program is in worse shape than the coin program.

It is hard to believe, but the stamp program has only raised a fraction of the $10 million anticipated by the original projection. Perhaps this is the reason why the Postmaster General saw fit to initiate his own mini lottery within the Post Office. Is the minister not concerned that such contests as the one he has established in the Post Office can result in the use of pressure tactics by wicket clerks, for example, within his department? There are enough problems within the department already without more problems. I say this because since the Post Office has had to resort to such means to sell these stamps, is the minister contemplating the extension of the stamp program into 1977 as well? I hope if this is the case that it will be brought forward in the House in the form of an amendment to the act, and I am quite sure our party would consider that.

However, going back to the mini lottery within the Post Office, perhaps the minister should consider similar contests for regular stamps, and the main prize could be on-time delivery of the winner's mail for one week. That would be something unusual in the Post Office.

The whole question of the Olympic stamp lottery within the Post Office is questionable as to its legitimacy, at least, because it definitely relates to the Olympic legislation passed by parliament—the stamp program—and yet at no time was parliament asked or even advised of this situation. An explanation by the Postmaster General must be given in this regard. The stamp program is tied in with the original Olympic legislation, and therefore nothing which

differs from the legislation can be done by the department or by the government unless it comes back before parliament in the form of legislation; I certainly hope there will be some explanation from the minister in this regard.

I would also like an explanation regarding the sale of Olympic stamps to foreign countries at discount prices, which also goes against the Olympic Act. I refer specifically to the United States where these stamps are being sold for less than they are in Canada and then are being bootlegged back into Canada with the profit going to no other than the bootleggers themselves. I realize these schemes are initiated to try to get rid of the stamps, which along with the surplus stamps on hand went unsold, but surely if the minister is going to be changing the legislation which was passed by parliament, parliament should be advised as to any changes within that legislation. Once again, these questions. should and must be answered for the benefit of all involved.

An hon. Member: Keep to the right department.

Mr. Jelinek: This comes under the Post Office Department, and the Postmaster General knows that very well. The hon. member may not know that, but the minister does.

Last but not least is the Olympic metal stamp sculpture or medallion situation. I am sure the minister will inform us as to the quantities which were ordered, packaged, and sold, and once again, as with the coins and stamps, I am sure he will let us know what the Post Office intends to do with those medallions which cannot be sold, how long this program is intended to continue—the same as with the stamp and coin program—and whether they will go hand in hand or whether it is a separate situation.

● (1520)

You may recall, Mr. Chairman, that Austin Page, the managing director of the coin program, once pooled the Olympic medallion thing with the Olympic coin situation so I assume it can be taken that it falls in the same category.

You may recall, Mr. Chairman, that last October there was a question as to who received the contract to mint and package these medallions and what criteria were used in making the final decision. The reason I bring this matter forward now is because it was my understanding that Mr. Norton Cooper, president of the Jacques Cartier mint, was in fact awarded some if not most of the contracts relating to the medallions, while other reputable Canadian mints whose bids were considerably lower did not receive the consideration they deserved. I say this because the same Mr. Cooper was involved in the past with the prosecution of DREE officials in connection with substantial federal grants that were made to Mr. Cooper's other company, Silver Shield Mines, and it is puzzling to say the least that this individual continues to be favoured by the government of which he illegally took advantage.

It is my understanding that the other well known Canadian mints did not even receive an opportunity to bid on these medallions, and that some contracts regarding the commemorative medals were awarded to a Swiss firm. I am sure that once again the minister would be happy to inform us where these medallions are being produced, by whom, and who is responsible for their packaging, distribution, and sale.

As with the other Olympic coins, be they silver or gold, as well as the stamps, we should like to know whether it is the government's intention to extend this program. I think I have already made mention of the problem of unsold products.

In closing, Mr. Chairman, I should like to reiterate that from the outset, and along with the majority of my colleagues, I have always been in favour of the Olympic ideal.

Some hon. Members: Hear, hear!

Mr. Jelinek: We have on many occasions criticized the development of the program in regard to financing and in regard to staging. The blame must clearly rest on the shoulders of the federal government which gave to the city of Montreal, to Mayor Drapeau and to COJO, the opportunity to play with matches—and in the process to burn themselves.

In closing, Mr. Chairman, I wanted to say, and I am sure that I speak on behalf of many of my colleagues, that I wish the Olympic games the greatest success. I hope that once the Olympic flame dies down we as Canadians can hold our heads up high and be proud that we put on a good Olympics.

Mr. Mackasey: Mr. Chairman, I hope the hon. gentleman is not speaking for too many members on the other side. The only greater penalty than a poor service would be to have to read the diatribe that we have had to listen to from the member.

Some hon. Members: Hear, hear!

Mr. Mackasey: I would agree that the hon. gentleman is not a racist. We have often discussed that and I think I have protected him against that charge in public. He knows exactly how I feel on that particular subject. It is not an accusation that I would want made against me, so it is not one that I would make lightly. The hon. gentleman need have no fear that, because he is asking questions about the Olympics that are to take place in Quebec, anybody is going to put a racist connotation on his questions. On the other hand, I think if he reads his speech he may find that he has smeared a lot of people himself, and that is not very nice.

We could start with the Olympic stamp sculpture. It was the gentlemen in front of me who issued the contract and I should protect them by pointing out that the Olympic stamp sculptures were tendered by at least three firms in this country. They were not issued to the Jacques Cartier mint. The hon. gentleman, through circumspection, brought in a Mr. Cooper who went bankrupt despite DREE funding four or five years ago, as have thousands of businessmen. The point is that the recent contract was awarded to a large firm in Toronto known as Johnson, Matthey & Mallory Ltd. of Toronto. It is a very responsible organization. I visited the plant and met with the owner, the supervisor of the plant, and the production engineer, to make sure that the metallic sculptures they were producing for us under tender were of a quality to match the first sets that had been made by Jacques Cartier.

The Jacques Cartier mint ran into financial trouble so I felt it should not be included in the subsequent tenders in case it had financial problems again and would not be capable of supplying the merchandize. We took its name off the tender list and issued the contract to Johnson, Matthey & Mallory Ltd. of Toronto. I think it is important that this go on the record.

As an interesting sidelight, Mr. Chairman, that firm had a little trouble with production and the first people they went to for advice was the Jacques Cartier mint.

I do not like smears, Mr. Chairman, and I do not want them on the record even if they are unintentional. These things were tendered, the tender was won by the firm I have mentioned twice. I suspect Johnson, Matthey & Mallory Ltd. is well known in the country. It is a respectable and responsible firm in Toronto and I would imagine it would resent any attack on its integrity, as do my officials.

Some hon. Members: Hear, hear!

Mr. Mackasey: The hon. gentleman has asked a lot of basic questions but it was very hard to follow because they were interwoven with a certain amount of bias in philosophy that makes it kind of hard, perhaps, to keep my temper on the matter.

Mr. Paproski: Be nice, Bryce.

Mr. Mackasey: I intend to be nice but it is kind of hard in this situation. I think if the hon. gentleman is sincere he should really start with reading the Debates when the act came into this House and was agreed to by all parties, except the New Democratic Party. It specified what finances were to be placed at the disposal of COJO through the federal government for the building of the Olympics, whether they are held in Montreal, Vancouver or Edmonton is unimportant. That debate is specific and important because the official spokesmen of our party at that time, the President of the Treasury Board, stated that we anticipated raising $100 million from coins. It is in *Hansard*. I cannot tell the hon. gentleman any more clearly than that. They are not my words. They are not Austin Page's words. They are the words of the hon. minister when he was speaking. He said we would put a ceiling of $250 million on the revenue coming from coins in the event that coins became very popular in the venture.

His own realistic appraisal was that if we were to get $100 million it would be a magnificent effort which we damn well should not be ashamed of as Canadians. I say right now that we will reach that $100 million despite the cynicism of the hon. gentleman opposite, who is not a racist but is without doubt the greatest cynic in the House of Commons.

Some hon. Members: Oh, oh!

Mr. Mackasey: I will also suggest to him—

Mr. Paproski: You are speaking of a former Olympic athlete. Shame on you!

Mr. Jelinek: On a point of order, Mr. Chairman—

Mr. Mackasey: Do you want me to call him an optimist?

[Mr. Mackasey.]

The Deputy Chairman: The hon. member for High Park-Humber Valley on a point of order.

Mr. Jelinek: Mr. Chairman, I have to rise and object to the last statement of the Postmaster General when he called me a cynic. If he wants to call it pessimism he can call it that on the past figures—out of seven coin series four have already been minted and as of last September less than $35 million has been realized. I hope that the Postmaster General withdraws that statement. He may call me a pessimist but not a cynic.

● (1530)

Mr. Mackasey: Maybe I should not call him anything, pessimist or cynic. However, I do not see anything unparliamentary about cynic. If the word cynic bothers the hon. members, I will gladly withdraw it. I hope it is recorded in *Hansard* that I am withdrawing the word cynic and substituting the word pessimist.

I come back to the hon. member's contribution. I am not reflecting on my predecessor, who is not here to defend himself. He left the Post Office in extraordinary good shape. That extraordinarily good minister is not in the cabinet now because he had the courage to get up and talk to the consumers of this country, and he paid a pretty heavy price for it.

Some hon. Members: Hear, hear!

Mr. Mackasey: In case there is any doubt about the integrity of the Mallory firm, they are the ones who prepared the blanks for the Mint. That credential ought to satisfy the hon. member about the quality and integrity of the firm supplying the metallic stamp.

With regard to what will be done with the extras, they will be melted down under the supervision of the Royal Mint or by whatever authority is charged with that. The hon. member should know there will be very few since, basically, we mint them to order. If I am not mistaken, we keep a minimum inventory of metallic stamps on hand.

The important thing about the coin program is that periodically the whole operation is subject to audit by the Auditor General's department. The Auditor General has made an odd footnote where he thinks the operation ought to be tightened up in inventory of samples. There is some question about amounts of money advanced in the United States in the form of advertising. I read the Auditor General's report on the operation several months ago. He gave it a clean bill of health.

On Tuesday next I will be tabling the report. I say to the hon. member that, despite his pessimism, we will hit $100 million which the former President of the Treasury Board said we would hit; not the $250 million that Mayor Drapeau talked about, not the $250 million put in the act in order to make certain that, in the event the coins took off, we did not turn over more. However, we did say in that same speech we would put at the disposal of COJO $375 million from lotteries, stamps and coins. We are not spending here. We are just raising it through three programs. We will meet that, obviously, with the success of the lottery.

Sales through the Olympic coin program amount to over $216 million. Our profit is more than half way to the $100 million. This is one of the reasons why it is being con-

tinued. We do not think we will hit the $100 million; we think we will hit $125 million. That should remove some of the pessimism of the hon. member.

On Tuesday next the hon. member will have a copy of this. It contains all the information. I do not want to bore the House now with all the statistics to which they can have access on Tuesday. I simply want to assure him, as a concerned Canadian member of parliament, that the coin program is one Olympic program that will not be stigmatized or have attached to it any kind of scandal. The Auditor General keeps close guard on the operation. The advertising and everything else are properly accounted for. I am satisfied that the operation is being adequately run under Mr. Page.

Mr. Baker (Grenville-Carleton): Mr. Chairman, the minister is referring to a document which he said he will be tabling on Tuesday. It might be helpful to the discussion and the committee if he follows the ordinary rules. Having referred to it specifically, he should table it today so that we can have a look at it from the point of view of this opposition day.

Mr. Mackasey: I have no objection to that, Mr. Chairman. I would have tabled it earlier today had it come into my possession earlier today.

Mr. Knowles (Winnipeg North Centre): You cannot do it now.

Mr. Mackasey: I am not going to get into all the innuendoes of the hon. member. I will simply sum up by saying yes, we will hit $100 million. Yes, we will hit $10 million in stamps. We are over $50 million now. Yes, the surplus metallic stamps will be accounted for and melted down. The metal will be returned to the Royal Mint, or whatever we do, to get a credit. Yes, we are running things in a business-like fashion. Yes, Mr. Page is quite adequate. Yes, we will meet the objective which the President of the Treasury Board set several years ago.

With regard to the matter of the medallions, I do not know anything about that. Our only interest in the medallions is that they do not interfere with the coin program. They are not purchased through the Post Office. To the best of my knowledge they are not purchased through any responsibility of the Postmaster General. I will verify that later, but I am quite certain of it. It is a COJO production. They may or may not have been minted out of the country. I feel certain they were awarded to somebody on tender, but they do not have anything to do with the Postmaster General. If the hon. member wants to say that it does, this is his opportunity, but he had better be accurate. As far as I am concerned, I do not have anything to do with the medallion program and I do not want anything to do with it. I hope the hon. member reflects on the inference he perhaps unintentionally placed on the record. What I have anything to do with, I will stand behind.

Mr. McKinley: Mr. Chairman, I would like to address my remarks on the Post Office to three separate topics. The first two are related and I will cover them together. The last is on a different matter and I will cover it separately. There may be a fourth matter about which I will raise some questions.

The first matter I would like to bring before the minister is the problem of the lack of communication within the Post Office as to the exact status third-class mail holds. This problem first came to my attention in April of 1976. It seems that the agricultural representative for Huron County sent notices of a meeting to area farmers by third-class mail on April 20. The recipients of the notices did not receive them until as late as April 30 to May 3, a full ten to 12 days after they were originally mailed. As a consequence many of the people involved never got any notice of the meeting until it was over. I believe there was more than one meeting involved.

I was asked to inquire into the problem, and this is when I became aware of the lack of communication on the status of third class mail within the Post Office. The customer service person contacted confirmed that the delay of third class mail is condoned in the Post Office. He did mention, however, that the delay of ten days for delivery of a mailing in a county was unusually long. He also suggested the use of first class postage to assure delivery of notices of the meeting.

It seems evident that in the eyes of the Post Office employees third class mail does not have any status at all. On May 6 I informed the Postmaster General of this problem. I received no answer as to the status of this mail. He suggested I send him complete information and I have since done that. I look forward to the minister making a personal inquiry into the situation as he promised in the House when I raised the question. I believe this will benefit many people who use open envolopes with six cent stamps. They should be made aware of the situation. There is a conflict between Post Office employees and the general public as to the status of third class mail. This presents a serious problem and everyone concerned should be allowed to know what exactly a 6-cent stamp means.

● (1540)

The second matter I should like the Postmaster General to consider is the effect of the proposed increase in the cost of first class mail announced today. The hon. gentleman said there would be an increase of 50 per cent in two stages from the present rate of 8 cents to one of 12 cents. An increase of 50 per cent can hardly be justified during the present time of restraint. If the government plans to increase the rate let us make sure the business community is in agreement. If it is not, business interests might well feel they should turn to the other forms of communication. It would not be surprising if, given the Post Office's record of poor service and inefficiency, the business community were to turn to other forms of communication should they feel this latest increase is unjustified, in which case any additional revenue from the higher postal charges will be more than counterbalanced by a decrease in the total volume of mail carried. The increase announced today could be the beginning of a vicious circle. Finally, let me say that if rates are increased the department must make sure there is a corresponding increase in the quality and efficiency of the service offered to the public.

Another matter I wish to mention is of direct concern to the Department of Public Works, although it clearly comes within the purview of my responsibilities as the spokesman of my party on matters having to do with the Post Office. In the early seventies, as part of the government's

policy to reorganize the Post Office, plans were made for the development of metropolitan area postal plants designed to improve the system of moving mail and to cope with projected future mail volumes. This project was referred to as the MAPP program.

The new MAPP facilities which, for reasons I shall show, are of interest to us today are those in the Toronto area, specifically the large Gateway postal plant at Dixie and Ellington Road, Mississauga, and the downtown Toronto south-central letter processing plant near Lakeshore Boulevard East at Greenwood Avenue. Both these facilities were developed by the Department of Public Works under the project management principle in 1971, and the estimated cost at that time was $80 million. The date of completion was tentatively set for Christmas mail in 1974. This completion date soon proved to be unrealistic. A progress report stated that Gateway would be ready for live mail testing in 1975. The south-central plant was also expected to begin live mail testing some time in 1975. This was the first announcement in a trend which is most revealing and one which, once understood, must be stopped.

The story in its barest form is one of delays and rising costs. As I say, in 1971 the cost was estimated at $80 million, with completion to be effected in December, 1974. In 1975 the facilities were still not completed and the cost was reported to be in the order of $140 million. Today, according to informed sources, the cost is estimated to be in the order of $160 million and it is believed the Toronto plants will not be operative until at least 1977. There is no guarantee that these figures are correct, however, and costs could quite possibly soar to $200 million with a completion date set for 1978.

There is some suspicion that irregularities exist in the terms of the contracts governing these postal plants. They take the form of contracts in which no time limitations are provided, contracts which embody no financial limitations upon contractors or sub-contractors. It is rumoured that the total consultants' bill alone is in the neighbourhood of $20 million. The contractors working on these projects have nothing to lose as long as costs keep increasing and the completion date is extended.

There have been implications, Mr. Chairman, that there is no reason why the buildings should be completed on schedule. There is some suspicion that many interested groups would like to see the projects continue, with further delays and further extra costs. It is felt there was little concern shown for time limitations and cost factors in connection with either of these projects. All this, of course, affects the Post Office and the efficiency with which mail is delivered and, as such, it should be of great concern to the minister responsible for the Post Office. In closing, I should like to ask him three questions: 1. Why have these postal plants suffered such delays and such increases in cost? 2. What will be the final cost of these plants and what are the definite completion dates? 3. What are the terms of the contracts related to the construction of these postal plants that they should allow for such delays and cost increases?

The minister told us today that the Department of Supply and Services looks after equipment and the Department of Public Works looks after buildings. It is surely in the interest of the Post Office Department to make sure that contracts are awarded in the proper form, and that contractors do the job the Post Office wants them to do.

From my experience in negotiating contracts it is customary in most cases to put in a penalty clause to make sure that the facilities are completed when needed, or by the date contracted for. This is the normal procedure but apparently it was not followed in this instance. The question arises whether these new facilities were necessary in the first place. Perhaps they were not. If they were, is the mail being delayed unduly because they have not been put in place?

Mr. Mackasey: I shall be very brief, Mr. Chairman, because there are several other members who wish to ask questions. If I should fail to deal with all the point which have been raised I will attempt to do so in my closing remarks. First, let me say that all the hon. member's questions about the new facilities in Toronto are being asked on the wrong estimates. While all these questions may be appropriate, they are being asked in the wrong place. The Minister of Public Works is responsible for the building, for the maintenance, for costs, for services, for architects fees, for consultants fees, and for turning the buildings over to the Post Office. I must confess that I have not come here prepared to answer questions on behalf of his department.

● (1550)

Mr. McKinley: Does the minister not agree that this delay—there appears to have been a delay from the start—affects the Post Office greatly? I would at least ask the minister whether he is making daily representations to the Minister of Public Works and to the Minister of Supply and Services in order to see just what is the hold-up, or does he not need these facilities in the Post Office?

Mr. Mackasey: Yes, Mr. Chairman, we need them, and yes, we are not happy with the delay. Perhaps the more fundamental question is, is the delay deliberate? I think the hon. member might be inferring that some people would like to see this work stretched out, and I think that is a pretty strong statement. Perhaps hon. members would like me to help find out, but I am not able to do so because the hon. member who has advanced the question has offered no significant proof that this is the case. I think he would have to be much more precise.

We would like to get into the building as soon as possible. To the best of our knowledge the delays are unintentional. if the hon. gentleman has any information that the delays are intentional, then I think it is his duty as a good Canadian to bring the information forward.

Mr. McKinley: Mr. Chairman, I did try to make it plain. It seems that the terms of the contract allow for this; it is not a question of anyone breaking the law or anything like that. Is the minister able to say anything about the contract itself?

Mr. Mackasey: Mr. Chairman, I have not seen the contract. I can only repeat that this question is best addressed to the minister in the question period or during the estimates of the Minister of Public Works. I will reply a little later to the question about third class mail, particularly as

it affects the organizations and associations in the hon. gentleman's riding.

Mr. McRae: Mr. Chairman, I have enjoyed the debate this afternoon, particularly the remarks of the hon. member for Brandon-Souris whose speech I would describe as the decline and fall of the Post Office. I should like to take a somewhat more optimistic view of the whole scene as I see it, and I think I could probably put a title on my own speech and call it the decline and rise of the Post Office.

On the decline side I have to accept the comments of the minister. We were certainly in serious trouble, and there is no question that we still are. But I see very optimistic signs in the Post Office today and I hope that within the next year or two the situation will change to the point where we can be extremely proud of the Post Office as an institution. There is no question that in the last few years there has been very definite instability in the Post Office. Members on all sides have commented on the number of work stoppages, work to rules and so on, which have made it very difficult for the postal authorities and for the Post Office itself to move mail on schedule. There have been needless delays.

Another problem we have had concerns the employee himself. Traditionally the employee of the Post Office has been someone respected in the community who played a definite role in the community, one who in the past would be equated with a police officer, a fireman, or with people working in other institutions in the community. Over the years I think the postal employee has been downgraded. His role has been diminished, and accordingly his salary has been diminished in relation to these other groups.

Because of this instability to which I have referred we have lost some business that we might otherwise have gained. But there has not been a total loss. As a matter of fact over the last five years there has been an increase in business of 20 per cent, or about one billion pieces of mail distributed by the Post Office annually. Nevertheless there is no doubt that some groups in the community have chosen alternate methods of depatching mail or other goods that would normally be moved by the Post Office. This is one of the major problems that have faced the minister since he took office within the last year and a half.

The Minister told the people of Canada on several occasions during the last year or two that there would be no rate increase of any kind until such time as he saw some improvement in postal service. Today he announced some badly needed rate increases, increases that I understand disturb many members in view of the present period of restraint. Nonetheless these increases are legitimate, even with the anti-inflation program. No part of the anti-inflation program says that price increases cannot be made when they result from cost increases. Certainly the cost increases in the Post Office department far exceed the revenue increases we are seeking.

To return to what I was saying, the minister said he would not increase the rates until he could justify it in terms of better service. I think we are now seeing an improvement in service. Some of our larger customers are telling us they are experiencing improvements in service. A period of stability has now come to the Post Office.

Mr. Baker (Grenville-Carleton): What is your question to the minister? Do not waste the time of the committee.

Mr. McRae: This period of stability commenced, I think, with the contract itself. We now have a reasonable contract. Indeed I think it is a good one. Once more the employees are in a position of parity with other groups in the community, and I think this fact alone will increase stability in the Post Office.

Another very important step toward better service and productivity was taken by gradual acceptance of the postal code. We now have an acceptance rate of 57 per cent. Then associated with the code and its acceptance is the whole mechanization program which is fundamentally designed to improve service in the Post Office. This program is only partially completed and some major aspects of it are not yet in play.

Mechanization is partially a fact in Toronto, Hamilton, Vancouver and London. For example, in Toronto two new plants are opening and are now working at 20 to 30 per cent capacity. Toronto, which handles approximately 50 per cent of the mail moved in Canada by the Post Office, is a very key point. We hope that the two plants in Toronto will prove to be very efficient in operation, but it will probably be the end of the year before they are functioning at full efficiency.

Mr. Baker (Grenville-Carleton): On a point of order, Mr. Chairman, would the hon. member permit a question?

● (1600)

The Deputy Chairman: This can only be done with the consent of the hon. member because the time will be taken from his allotted 20 minutes.

Mr. McRae: Yes, I will, accept a question.

Mr. Baker (Grenville-Carleton): With the improvements the hon. member speaks about in Toronto, where this great bulk of mail is handled, does the hon. member think this will shorten the time it takes to send a letter from Prescott to Ottawa, some 60 miles, which on three occasions last week apparently took seven days? Do you think that automation will help this problem in my constituency?

Mr. McRae: I do not think it is going to help that problem, Mr. Chairman, and I never suggested it would. What I am saying is that this one change will help the province. Certainly letters going through Toronto will be facilitated with this new equipment. If the hon. member would just wait for a minute he will hear some of the other solutions I want to suggest.

There is no question in my mind but that one of the major areas of this problem relates to general productivity of the individual and the feeling in the Post Office, or general morale, which is something I think is more important than equipment. I hope to be able to go through all these points in the short time that is available. I agree with the hon. member that this is not a total solution. If the mail is not going through Toronto this equipment certainly is not going to make a difference or solve the problem in that

particular case. However, we will try to satisfy the hon. member in terms of the other points I propose to make.

In addition to this program of mechanization we have a program designed to get more acceptance of the postal code. Incidentally we can expect a very aggressive program fairly shortly, and these plans are under way, designed to increase the use of the code, particularly among the larger business users of the mail service which make up 80 per cent of the postal load. In addition to this move toward greater acceptance of the code we have an aggressive marketing program in terms of using the Post Office and the facilities provided by it. We are particularly concerned about dealing with the larger business users in terms of how they use the mail, how they address their envelopes, how they use the code, the size of their envelopes, and so on.

This aggressive program directed to the business community will be something of which we will see a great deal more in the near future. People will increasingly see the red, white, and blue colours of the Post Office. It is hoped they will become more aware in terms of what the Post Office can do and what the users can do to help get the mail to the point of destination in a limited period of time. There is an aggressiveness which is something we have not had in the Post Office for a very long time, but I think we will see a great deal more of it in the next six months or a year. Even at this stage of the game we are seeing some success. Large and small users, individuals and businesses are suggesting that things are already improving. They are indicating a desire to support the Post Office in its program designed for improved and more efficient service.

The major criticism of the Post Office over the last four or five years has been, and rightfully so, in respect to morale. This is a more difficult problem in the sense that you just cannot buy a machine and turn this thing around, as you can when using the code and mechanization. This is a problem that is associated with people, and I think it is the major problem the Post Office has faced. It is also a major problem facing many industries in this country today. We are talking about the work place itself and the role that the individual has to play.

We are talking about individuals who work 40 of their perhaps 80 waking hours, and the satisfaction those individuals get from their jobs. It is wrong to assume that we in the Post Office and the people who work there are not basically concerned about this problem. I can assure you that there have been meetings recently with senior Post Office officials and employees to discuss this very problem, and how we can improve the service and increase productivity. Bringing management and employees together in the Post Office on a continuing basis is one of the ways we think we can improve the spirit within the Post Office, and eventually the service itself. This has to be brought down to the individual worker. We have to practice industrial democracy, and industrial democracy means giving the workers a share in some of the management decisions in the Post Office.

The other point has to do with the work on the floor of the Post Office and on the postal route. We must make these more meaningful activities and this is something—

An hon. Member: How can you do that?

[Mr. McRae.]

Mr. Dick: Mr. Chairman, I was wondering if the hon. parliamentary secretary would permit a short question.

Mr. McRae: Yes.

Mr. Dick: When the hon. member talks about this involvement in democracy, is he referring to something like participatory democracy? Does he hope this will have the same effect and success that the so-called participatory democracy we heard about at one time enjoyed?

Mr. McRae: Mr. Chairman, the participatory democracy in the terms the hon. member has mentioned is very definitely a current concept, particularly when we see this week that the CLC is talking about participating as a partner with the government, with business and the whole economy.

Some hon. Members: Hear, hear!

Mr. McRae: I think there is a need for some kind of participation of this kind within the Post Office. These are things we all have to learn something about, including the government. The point of the matter is that we are very concerned about the situation. Another aspect of participatory democracy, as I see it, is the satisfaction an individual gets from his job. This is another area about which we must be concerned. The two have to be brought together so that we do have that kind of participatory democracy.

If the hon. member wants an example, and this is what I think he was leading to, we are talking about a massive marketing program in terms of getting the proper use of the mails by the individual users so that the mail will move quicker and more accurately. We think our employees who are sorting the mail should be dealing with questions of this kind. We think there are roles that can be played by those individuals. We think we can make the work at the Post Office more satisfactory for the individual, and thus make the individual much more productive.

These are some of the problems we are looking at within the Post Office, and I think we are beginning to have some success toward a solution. I must remind hon. members of this aggressive marketing program in fields other than those involving the moving of mail. There is a great deal of criticism about so-called junk mail and so on. There are many areas in which the Post Office should move. We believe we have one of the finest marketing programs in existence in the country, and it is based on the concept that the Post Office Department is the last single entity that drops into almost every household in the country on a daily basis. In some way we are able to move something to the doorstep, the postal box or the point at which our customers receive their mail on a daily basis.

We are trying to find ways to provide a variety of services to the public while at the same time increasing revenue. There has been a continuous growth in mail service, as I mentioned, something like one billion extra pieces per year. It is our belief that this growth will continue. People are going to see the red, white, and blue symbol of the Post Office a great deal more on their television screens, and they are going to see postal employees moving around the community in a strong marketing way. I hope that in a year or so the Post Office in

this country will be an institution of which we all can be extremely proud, as a going business.

Mr. Dick: Mr. Chairman, we have just heard an incredible speech about how the government is going to spend more money, and perhaps increase the deficit. We are going to have the red, white, and blue symbol throughout the community and on the television screen. Since these happen to be the Conservative party's colours I hope this will be borne in mind when the news is being spread.

Let me get down to some specifics about the Post Office generally. I should like to ask the Postmaster General a couple of questions. In small communities people rent postal boxes for which they pay a charge of perhaps $4 or $6 depending on the size of the box. Frequently they ask, since they do not receive the mail at their door, why they should pay the rental fee. They say it is an extra charge and that they are being discriminated against. Each time I inquire of the Postmaster General's department I am told that when there are sufficient people in an area it is cheaper to use letter carriers than to go through the postal box routine. Perhaps the minister could explain it to me a little better.

● (1610)

Mr. Mackasey: Mr. Chairman, I am taking note of several questions which I will answer all at once. I have noted that and will answer it before the debate is over.

Mr. Dick: Of course the minister is entitled to follow that procedure. That is one matter with which I wanted to deal.

It has been stated that the department is entering a period of restraint. I do not think most Canadians disagree that there should be restraint. I believe the government should have been in restraint long before it actually got there. However, I am glad to see it is in restraint. One thing, however, concerns me. In going into restraint the postal department has broken its word.

I feel that politicians in general and governments in general are at a fairly low ebb in this country in the sense that people say politicians make promises on which they never deliver and that the government says it will do something but never does. For example, the community of Carleton Place applied for door-to-door service. A survey was made. There are over 2,000 postal drops. On October 7 the Deputy Postmaster General wrote a letter in which he said that I would be pleased to learn that the results of a recently completed survey indicate that Carleton Place now meets the requirements for door-to-door mail delivery and that this service will be established in the next fiscal year. Since the letter stated that the service is to be established in the next fiscal year, which is this year, and since it did not say "might be" or "it is hoped it will be", a commitment has been made.

When a restraint program is in effect I do not believe further commitments should be made. However, once a commitment is made I think it should be honoured otherwise politicians and governments fall into disrepute. The people say that politicians promise things and do not follow through with them. I argued this matter through the mail with the Postmaster General.

An hon. Member: How do you get your mail delivered?

Mr. Dick: This correspondence took place between October and February, so one can see that it is a lengthy process. The reply I received states:

> In my letter of November 4, 1975 I informed you that Carleton Place, Ontario qualified for door-to-door mail delivery and that the service would, in all probability, be established in the summer of 1976.

In the letter the minister talks about an indefinite period and refers to the probability. I want to point out that the promise was "will be established in the fiscal year". The only doubt was in respect of the probability about the summer of 1976.

I can understand the difficulty in respect of the fall or the winter, but I think the promise should be kept. Although I believe the government should follow the restraint program, at the same time I believe it should follow the commitments it has made. During the last election the government promised that in Montreal there would be house-to-house delivery service in the urban community of St. Louis de Terrebonne where there now are 2,550 homes that are without delivery service, in the community of Mascouche where there are some 2,400 homes without delivery service and in Mascouche Heights where there are 2,400 homes without delivery service. If these promises were made prior to a period of restraint I think a government, in order to maintain its credibility and in order to appear to be honest in the eyes of the community, must fulfil its promises. I agree with restraint, but this is sort of attrition in a sense. Sometimes when it is necessary to lay off people it is nicer to do it through attrition because in that way people are a little happier. I should like the Postmaster General to refer to this area as well when he replies.

The Postmaster General made some general remarks concerning the third area about which I should like to inquire. Because of the communications I had had concerning the situation at Carleton Place I contacted the Letter Carriers' Union of Canada. I received a letter from Robert McGarry, the National President, who said that he would discuss the situation and come up with some ideas. Perhaps the best thing I can do is read his letter so that the points he makes will be on the record. He said:

> I know for a fact that service could be given to Carleton Place and to the other communities meeting requirements for letter carrier delivery and the Post Office could cut back on the men-years as requested by Treasury Board and still provide this service. The problem is in the refusal to cut back and stop hiring at the executive and top level positions in the Post Office which does little to improve or provide postal service to anybody but provide employment for executive types who cannot make their way in outside industry.
>
> The Post Office was requested to cut back in the increase of staff for next year. The Post Office did all the cutting from the only branch which provides service to the public and that is in the operational category which includes postal clerks, mail service couriers and letter carriers.
>
> The Post Office will increase its total hiring this year by 2.2 per cent, the highest proportionate growth will be at the higher paid executive level which will increase by 9.4 per cent. The technical, administrative support and operational groups which provide the service to the public will increase by 1.8 per cent and it is this kind of planning and thinking that has caused the service to deteriorate to the level we find it at today.
>
> The only business the Post Office should be interested in is delivering mail. The Post Office is top heavy with high priced help which does little or nothing to provide service to the public but in most cases cuts from the service budget to make more money in the budget to hire more high-priced help.

The cost of three of the executive types who will be hired could pay for, if put to proper use, the hiring of the six letter carrier positions necessary to institute delivery into Carleton Place this year.

The answer to the problem in Carleton Place is one which the union has been complaining about for years. The cut back is never in high-priced help but in service personnel such as letter carriers and service to the public.

I would be more than pleased to discuss the method of giving service without increasing the deficit with any group of M.P.'s or with the Postmaster General whom I do meet on occasions.

Since he mentions that he will speak to the Postmaster General about this I think the Postmaster General should take his advice. The final paragraph I wish to quote is as follows:

The make-up of the Post Office to date is 18,000 delivery personnel, 22,000 sortation and mail handling personnel, 20,500 executive and supervisory personnel, which makes one supervisor or executive employee for each two employees who provide the postal service.

● (1620)

If that is a true reflection, then it is a little top heavy with supervisory and executive personnel. I think one supervisor or executive should be able to supervise more than two of the people who do actual door-to-door delivery and other services for the public.

In conclusion I would like to point out that there is a complaint in rural areas about having to pay a fee for those little boxes at local post offices. The Post Office Department always says that it does that because it is more expensive than having letter carriers. In the specific case of Carleton Place where a promise has been made, if it really is cheaper to have letter carriers, I wish they would be used.

Then there are promises for the Montreal suburban areas, and finally there is a reference by Robert McGarry, union national president, talking about the number of people at high levels compared with those doing the marching or the troop work as it refers to Carleton Place. However, in general I thank the Postmaster General.

Mr. Mackasey: Mr. Chairman, I do not know what the practice is. I hope to have an opportunity to wind up on an unpartisan note with some pertinent observations about the Post Office. I know there are one or two other hon. members who want to speak, so I will answer very briefly and then at about twenty to five I hope to be given an opportunity.

Bob McGarry, the president of the Letter Carriers' Union, is an excellent president. He has met with me not once but on a dozen occasions. I would be surprised if his philosophy as enunciated in the letter is any other than that all our problems can be solved by adding more letter carriers to the union at the expense of another union's membership. We have terminology whereby supervisors in the Post Office, who are really the bottom line of management, are probably the ones we depend on most to keep the mails going, are probably the most underpaid, and probably the best case for some distribution of our employees' income, which I might be able to have some time to speak about.

If Mr. McGarry wants to reorganize the distribution of the letter carrier workers in such a way that he can provide extra service with the present workers, that is fine. What is really important is that if I told the hon. member that this summer we would look after his particular problem, then he has my word that that is exactly what will happen. I will review the correspondence, but that commitment is for that particular letter and no other. I have hundreds of requests.

I do not know what Mr. McGarry was referring to, but in 1974 which is, after all, quite a few years ago, our executive strength was 31. If we fill all our positions, and we have not, the executive strength at the end of 1977 will be 34, an increase of only three people. With regard to our scientific and professional group—and there will be more and more and these people coming as the Post Office becomes more and more automated—I think the hon. member knows that the ultimate end of automation is attrition and a shift of the type of characteristics of the people we have to hire for different skills. I will not explain that.

Obviously the hon. member understands industrial relations, but even so, in 1974 there were only 70, and we are contemplating only 93 if we fill all the scientific and professional vacancies in the Post Office.

So Mr. McGarry can make an excellent case for more letter carriers, but he does not have to do so at the expense of somebody else. I think everybody in the Post Office, from the deputy minister to the labourer in the Post Office, is equally important, as long as he does his job, and I will have a chance to talk with Mr. McGarry when he gets back from his holidays. I think he is taking a holiday right now. I hope to talk with him within a month or two. I will discuss with him which executives he thinks I should dispense with and how many letter carriers I can hire in their place.

I think the hon. member asked me about boxes. I will deal with them. The old policy of the lock box rental was at one time pretty well left to the rural areas. Because of problems of restraint and because of continued city growth and urban sprawl, if that is a good word—and we get a lot of that in some parts of the country where new housing developments grow up, which do not necessarily warrant door-to-door mail such as the 2,000 criterion which was mentioned—we have been using boxes and charging about double the price of the rural areas. This is hardly fair in this period of restraint when people have to use this method of obtaining their mail when normally they would have letter carrier service, so what we are doing is reviewing the relationship of the cost of lock box rentals—which, as the hon. gentleman knows, is not an obligation because there are free boxes available in rural areas—between rural and the urban residents, and I imagine that out of that review will probably come a more equitable relationship.

Mr. Dick: Thank you.

Mr. Foster: Mr. Chairman, I would just like to make a couple of points and ask a couple of questions of the minister in this debate on the estimates of the Post Office Department. First, I want to congratulate the Postmaster General on his many accomplishments in the department. As a man he has some very special and unusual qualities and unusual ability in matters of labour relations.

Thinking back to the strike of last fall, which was perhaps the longest postal strike in Canada's history—I think it was some 41 days—normally with the mail tied up

for that period of time one would expect constituents to be irate and writing and complaining, and demanding that the Postmaster General or the government do something. However, in this strike the Postmaster General was able to find an equitable balance between what was fair to the postal workers and what was fair to the Canadian people. From my own constituency I think I received only two letters, one saying "Tell Bryce to hang in there", and the other demanding that the government take action to halt the strike. However, generally the response from at least my constituency, where there are many rural post offices, was that the Postmaster General was making a reasonable and fair proposition in view of all the circumstances which existed in the country at that time relating to the problems of inflation, unemployment, and the implementation of the selective wage and price controls.

In my constituency there are some 42 rural post offices. About 39 of the 42 remained open throughout the strike, and in some areas we were able to have mail service between the small rural post offices on Manitoulin Island. The Postmaster General probably had one of the most difficult times of his political career, but he certainly had the overwhelming support of Canadian people from coast to coast.

There are one or two matters which I would like to bring to the minister's attention. One relates to the provision of a letter carrier walk on the Batchewana Indian reserve, Rankin location, which is located right within the city of Sault Ste. Marie. It contains really only a few streets in a section of the city of Sault Ste. Marie. It has been trying for some time to get a letter carrier walk service there. They have had group boxes at selected places throughout the reserve, and I have made representations on behalf of the chief and band council to have a letter carrier service.

● (1630)

Even though reserves like this are not part of an incorporated city, if they are an integrated section of the street system of a city as this one is, I think they should be treated as part of the city for letter carrier walk service. In this case about 40 homes and public buildings require a letter carrier walk or house-to-house delivery. It only amounts to about 1,000 feet in distance. I should like to see the service implemented on this reserve, Mr. Speaker.

We usually think of Indian reserves as being located in isolated areas but in this case we have a modern subdivision within the city boundaries with sewers, water, a modern industrial park, modern homes, a new band council administrative building, and a new daycare centre is being built which is a credit to the entire band. We should do our best to ensure that a community like this is given postal service equivalent to that of the city which surrounds it. I should like to ask the Postmaster General to look at this again as it has been under consideration by his department for several months.

Another area I should like to mention is the case of the rural route carriers. I think these people are often the unsung heroes of the Post Office Department. They are really contractors, not employees. They do not accumulate a pension and their job is rather insecure as they have to tender for the contract and, of course, the lowest tender wins. In the vast majority of cases, however, the people concerned are very dependable and go out regardless of weather, regardless of road conditions. They provide a very important service to people in rural areas—perhaps one of the most important services.

A few years ago the Post Office proposed that the contracts—which I believe run on a statutory basis for some five years—be changed so that there would be a regular indexing of income. The contract involves running a vehicle as well as wages, and it is difficult to pick an index which is completely satisfactory. I think we should try to move toward regular indexing of the contracts, however, especially in days of high inflation such as last summer when the index went over 11 per cent. I am sure we are all very pleased that the anti-inflation program is working so well that it is now below 9 per cent and, as the year goes on, I am sure it will come down to 8 per cent. Even with the 7 per cent or 8 per cent that we will probably see this year we should have some sort of automatic indexing for the rural route contractor.

Another matter to be considered is the automatic retendering of contracts over $10,000 every five years. There is an automatic requirement that it be tendered, otherwise it could be carried on beyond the five year limit.

These proposals have been in the offing with the Department of the Post Office and I would welcome the Postmaster General's views on them. There are a large number of rural route carriers in my constituency and they are very important people to the communities they service.

Mr. Clarke: Mr. Chairman, I want to say a few words concerning the philatelic section of the Post Office. First of all, however, I want to take issue with an answer given earlier by the minister when he was commenting on the eight cents or ten cents it may cost the individual in Canada to send a letter. He said most people would only send half a dozen letters per year. According to the estimates, first class postage revenues will be $400 million, and the increase the minister has announced will therefore cost Canadian taxpayers $200 million. Any way you look at it, the cost will be $10 per person in this country, not ten cents. While that may seem a small amount it is 100 times the figure the minister gave earlier.

He said that 80 per cent of the postage in this country is paid by 20 per cent of the customers. That means that business pays, Mr. Chairman. But who does the minister think pays for the business postage? Of course it is deducted to arrive at the taxable income so 50 per cent of it will directly come off the national revenue. The other 50 per cent will be passed on to customers by business. Again, the taxpayer will pay. Unlike the Post Office, business concerns in this country have to abide by anti-inflation rules. They are allowed to pass on price increases, however. I should like to hear the minister's comments on this point.

The philatelic section of the Post Office is very important, Mr. Speaker. From time to time the minister has sent letters saying he is proud of the various new issues. The fact that the Post Office has a separate section for philatelists shows that this service is regarded as very important. In a letter circulated last Christmas the minister made reference to his severest critics—the philatelists of the country. If it is true that they are his severest critics then I cannot understand why he does not pay attention to them.

An article in the September, 1974 issue of "The Stamp Magazine" begins at page 60:

Not so very long ago Canada was one of the most respectable stamp-issuing countries, with a long-standing tradition for fine stamps, a moderate stamp issuing policy, and a wealth of fascinating classical material.

The article goes on to explain the drastic changes taking place in the world of philately and challenges the Post Office to publish the sale and cost figures for the various issues that now proliferate. I believe this challenge has been issued before but there has been no response from the minister. The article comments on the number of examples pointing out how a greedy stamp issue policy can damage the image of the country.

I assume that the Post Office believes philately to be an important source of revenue, Mr. Chairman, because those stamps do not require any service. If the Post Office continues with its present policy, however, collectors will just abandon Canadian stamps. It is a very easy thing for a collector to just stop.

As an example of the proliferation, I would point to a release issued by the minister commenting on the 1975 stamp program, in which there were to be 34 issues. Of these, 11, or one-third, were related to the Olympic program and had some significance, but there were still 23 brand new stamp issues available for the collector. Even this month there is a new issue commemorating the centenary of the Royal Miltary College of Canada. I know that time is limited. Some of my colleagues have a few words to say. However, I hope the minister will make some sort of response.

● (1640)

Mr. Mackasey: Mr. Chairman, I thank the hon. member for bringing to my attention and that of the committee another very important segment of the Post Office, that of the philatelic world. I agree that I said they are the greatest critics. They are also our most constructive critics. We meet very often with representatives of the magazine industry who are dedicated to this particular group of Canadians and, in fact, people around the world who save stamps.

Naturally some collectors complain about the quality, number of issues, and number of stamps in an issue. It affects the value of the stamps, especially if you are interested in speculation. However, I am rather surprised the hon. member would object to the issue of a stamp honouring the Royal Military College.

Mr. Baker (Grenville-Carleton): That is not the point.

Mr. Mackasey: The point is that we get thousands of requests from all members of the House. The hon. member opposite is no exception. We honour the one hundredth anniversary of this or that group or this or that community. As the country gets older, we get more and more of these requests. We are asked to honour this or that event or patent. It is difficult to keep down the number of issues.

I was heavily criticized in the philatelic world for issuing a stamp honouring the Calgary Stampede. It is uniquely Canadian and I thought it deserved honour. Nevertheless, it resulted in a lot of criticism. On balance, I expect this. It is the type of field we are in.

[Mr. Clarke.]

We are asked why Calgary, not Edmonton, or why Edmonton and not another community; why a stamp for the Caisse Populaire or the gentleman who first brought into being credit unions in this country.

We have an advisory group of Canadian citizens. They determine out of all these requests what is the most appropriate design. I get as far away from it as I can for the simple reason these are people who understand the business. They are artists such as Peter Swan. They include representatives of those who produce the stamp, either by offset or letterpress.

The Chairman: Order, please. I regret having to interrupt the minister, but pursuant to Standing Order 58(9)(a) and (9)(c) I have to put the question at this time.

Mr. Knowles (Winnipeg North Centre): Carry on.

The Chairman: There seems to be some disposition to carry on until five o'clock.

Mr. Baker (Grenville-Carleton): The hon. member for Winnipeg North Centre is saying, as he did last evening, carry on. The hon. member for Parry Sound-Muskoka wants to raise some matters with the minister. I wonder if the minister might consider that and answer the questions.

The Chairman: Some hon. members are concerned about the possibility of a vote beginning at five o'clock. Is it agreed by unanimous consent that the debate carry on and, at five o'clock, the resolution be accepted and reported to the House?

Some hon. Members: Agreed.

Mr. Darling: Mr. Chairman, those who participated in the debate today had parochial questions to ask, and rightly so. The Postmaster General listened to them most sympathetically. I commend him because any time I have had to contact him he has been most cooperative.

I wish to bring a matter to the attention of the Postmaster General that is not parochial. It will cause a great deal of concern to many people. It is suggested that the department is going to do away with stamping envelopes with the name of the town, village or city, and replace that with a number. I wonder whether that is accurate. That is one of the most unpopular things the Post Office Department could do. I do not know what damned idiot dreamed it up. I wish to state in no uncertain terms that I am against it. I have before me two cancelled stamps. On one, the cancellation reads:

Postes Canada Post
5-4-1976
M1P 4T0

That indicates where the letter came from.

An hon. Member: Is that Parry Sound?

Mr. Darling: No, that is Scarborough. However, who in hell living in Scarborough would know that? Here is another example:

Postes Canada Post
2-1-1976
V6V 3A0

That is the great western city of the hon. member for Vancouver Quadra. I have a similar stamp from the United States where I believe the same program was being carried out. However, I am informed that all hell broke loose in that country and they have since changed their ideas.

If the Canadian Post Office has any such idea in mind, it will be bombarded with letters from one end of the country to the other. If the minister thinks there was a lot of mail on the capital punishment or the gun control issue, I will tell him there will be ten times as many with regard to this. The minister should tell the official who dreamed this up that if he wants to keep his job, he will scrap this idea right away.

There is another matter. It may seem rather parochial, but it is not. I speak on behalf of the Canadian weekly newspapers. I know that the Postmaster General is sympathetic. These newspapers serve the rural people of Canada. The Canadian Periodical Publishers' Association has asked the czar of the Anti-Inflation Board to roll back proposed postal increases. I quote from their publication:

> CPPA and the Canadian Community Newspapers Association joined in making a formal application to the Anti-Inflation Board for a rollback in the new international postal rates for second class mail. Effective January 1, rates jumped from 5 cents a copy to 20 cents and from 7 cents to 36 cents for magazines mailed to the U.S. weighing four ounces and eight ounces respectively. The Post Office omitted notifying publishers despite a steady stream of correspondence on other postal matters such as coding and pre-sorting requirements.

I hope the Postmaster General will look into this. I am aware there may be some increase in rates to the Canadian weekly newspapers, possibly 20 per cent. In all fairness, the Postmaster General said he will reconsider this. I certainly hope that he will. The weekly newspaper is one of the greatest assets to the country, and especially to the rural country.

● (1650)

Mr. Mackasey: Mr. Chairman, I was about to give the hon. gentleman from Parry Sound-Muskoka some credit. His competence and persistence in making representations on behalf of certain weekly newspapers have resulted in my decision not to include them in the domestic increase I announced today.

Some hon. Members: Hear, hear!

Mr. Mackasey: In so far as international rates are concerned, I think hon. members will all appreciate what we had to do, which was to take into consideration the volume of mail coming in from the United States which was subsidized by Canada, against the volume of Canadian periodicals and newspapers going to the United States and which are subsidized by the Americans. There was a great imbalance and both countries agreed to raise their own domestic rates on magazines and newspapers being sent out of the country. This, on balance, was to the benefit of the Canadian newspaper industry.

In the seven minutes left to me I should like to touch briefly on a few subjects—I shall not be able to do any of them justice in that short time. I want to say I think these will probably be my last estimates as Postmaster General. Maybe not. In any event, I want to say that as much as I love the Post Office, I take no credit for it. If I had to make an appeal to the Canadian public I would say: This is your Post Office, please listen to one or two of the statistics.

Of all the five departments I have been with there is none I have enjoyed better. It is very people-oriented. There are 52,000 people working in the Post Office, most of them career people. The gentlemen you see sitting here in front of me are not civil servants who spend their time jumping from one department to another. They joined the Post Office 20 or 30 years ago, I suspect from Scotland, most of them; they have a pipeline both into the union and to management that I have never been able to figure out, but it is there. For every Davidson on the union side there is a Sinclair on the management side.

The important thing to remember is that in this country mail is very dependent on factors outside our control. We have six time zones, and climatic conditions play a big role. The lack of an adequate train service hurts us badly. We are very dependent on air mails, and a storm in Toronto, Montreal or Halifax affects mail right across the country, whether we like it or not. Nevertheless by international standards we are considered the third best Post Office in the world.

We are moving five billion pieces of mail in a year. That breaks down the daily potential of complaints to around 200,000. It is very easy, with 200,000 potential complaints, to ridicule the Post Office—not postmasters—they come and go—but the Post Office. One newspaper carried headlines "Body Lost in the Mail". It was great. It was fun; but not so funny for the workers, you know. When you got into it you found they were speaking about the remains of a body. The story began to change a little. They were talking about the cremated remains being sent to a dearly beloved who was 40 miles away and could not attend the cremation. They were being sent by an undertaker who could not find 75 cents to insure or register the packet. It was a little thought-provoking. Where is our sense of values?

It is not my Post Office, it is our Post Office. We have an obligation to make sure that it is improved. What about the deficit? The deficit sounds very high, and it is high. We must, however, take into consideration depreciation and the rent of public buildings which is growing as we move into these new large premises. We also have to take into consideration depreciation on the new machinery which is coming on stream.

Our work force is highly paid, now; our men are adequately paid, they have complete job security, nobody is affected by automation, nobody will be laid off. The rates for working on new equipment have all been firmly established. I do not think there are many in private industry who have the benefit of collective agreements such as the postal unions enjoy. In fairness to the unions, they have withdrawn the boycott of the postal code, and as we increase the use of the postal code we increase tremendously the efficiency of the Post Office.

The rather stodgy image of the Post Office was the first thing which surprised me when I took over, because it is so unrealistic. The Post Office marketing division is aggressive. We have brought in marketing people from the outside. We notice this in the Post Office. We go out to get the business. When I mentioned that 80 per cent of the mail comes from 20 per cent of our customers, I was referring to the business community. I was not talking about the

individual letters which people write and which go first class. The hon. member rightly said that the cost of mailing, in the case of the business community, is passed on to the consumer eventually. So is the postal deficit. Whatever way you want to look at it, I won't argue.

The important thing is that the Post Office is on the road to recovery as indicated by the performance charts which the department keeps, not me. It is indicated by the growing volume of mail, it is indicated by the growing volume of mail, it is indicated by our relationship with industry, particularly the direct mail industry, which is probably the largest employer of help in this country. Though I do not like the term junk mail, we have a very close relationship with them. The new rates were discussed with them in depth. As so many speakers correctly said, the point they were most concerned about was not the higher charge but how reliable are the mails. We can improve in that area. The workers must understand, however, that if the Post Office becomes more inefficient it is their jobs which will go, not mine. They have a stake in the future of the Post Office.

Talking about industrial democracy, I think the hon. gentleman made one very valid point. The letter carriers have incentives in this free entreprise system. When they finish their bag of mail, one which has been measured scientifically, one which has been the study of time studies and methodology, they can go home. When they have done, after a period of six hours, seven hours or five hours, they can go home. The inside worker needs the same type of incentive. He does not have it.

What we need inside the Post Office is job measurement so that we can share with the worker by way of a shorter work week the increase in productivity which the new equipment makes possible. In order to do this we need a measurement device which both management and labour think is fair. The increase beyond a certain point should be shared in some tangible manner with the postal worker. Then we could get productivity out of what I believe to be a wonderful group of people, those who work in the Post Office.

The Chairman: Order. In accordance with the agreement made earlier, it being after four o'clock it is my duty pursuant to section 9(a) and 9(c) of Standing Order 58 to interrupt the proceedings and put forthwith every question necessary to dispose of the proceedings.

Shall Post Office—Vote 1 carry?

Some hon. Members: Carried.

Post Office—Vote 1 agreed to.

Resolution reported and concurred in.

Mr. Deputy Speaker: Perhaps at this time I should call on the minister, who indicated in committee of the whole that he was ready to table the document to which he referred in his remarks. I think it should be done at this time while the House is still sitting.

Mr. Mackasey: Yes, Mr. Speaker. With the consent of the House I wish to table the document I referred to in the discussion.

Mr. Deputy Speaker: Does the House consent to the minister's tabling the report on Olympic coins for 1976?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being five o'clock p.m. this House stands adjourned until Tuesday, May 25, 1976, at two o'clock p.m.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, May 25, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

AIRPORTS

SUGGESTED REFERENCE OF NEW EXPANSION PLANS FOR VANCOUVER TO PLANNING COMMITTEE—MOTION UNDER S.O. 43

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity which concerns the proposed expansion of the Vancouver International Airport. In view of the recent statements by the Minister of Transport (Mr. Lang) that this expansion may take place within the Sea Island dyke, in view of the fact that this proposal has not been referred to the airport planning committee which had previously vigorously opposed the airport expansion, and in view of the fact that such expansion will trigger additional non-co-ordinated development in the Fraser estuary, I would move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this new proposal be referred to the airport planning committee and that a moratorium be placed on further development until proper studies not only of the airport expansion but all expansion in the Fraser estuary be completed.

Mr. Speaker: Such a motion pursuant to Standing Order 43 can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

AGRICULTURE

SUGGESTION PROVINCES BE GIVEN POWER TO DEAL WITH DAIRY PROBLEMS—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, pursuant to the provisions of Standing Order 43, I request the unanimous consent of the House to move a motion on an urgent and important matter.

Considering the general discontent of industrial milk producers following the dairy policy announced for the current year, and considering that the Canadian Dairy Commission seems to fail in its task to plan and coordinate this production, that the Minister of Agriculture does not find any reasonable solution for producers, most of whom are in Quebec, I move, seconded by the hon. member for Rimouski (Mr. Allard):

That this House recommend unanimously that the federal government leave to farmers themselves and to provincial governments the task of organizing, coordinating and planning the affairs of the dairy industry.

Mr. Speaker: The House has heard the hon. member's motion. Pursuant to the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; therefore the motion cannot be put.

ORAL QUESTION PERIOD

[*English*]

NATIONAL DEFENCE

ALLEGED STATEMENT BY MINISTER "ORION" WAS NOT THE RIGHT AIRCRAFT—REQUEST FOR CLARIFICATION

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, my question is addressed to the Prime Minister and arises out of the dreadful situation in which we find ourselves in the matter of re-equipping the Canadian Armed Forces, particularly having regard to the difficulties in which the country and the government have been placed by his Minister of National Defence. I want to ask the Prime Minister with respect to a quote attributed to the Minister of National Defence in the press today, in which he said—I am quoting—that "he did not necessarily think the Orion was the right one in the first place", referring to a long range patrol aircraft. If this report is correct, can the Prime Minister indicate whether he has conferred with the Minister of National Defence, what is the state of mind of that minister in respect of the matter, and why did the deal go as far as it did if this transaction involving the Orion and its concept did not have the full support of the Minister of National Defence, as he is now supposed to have said?

● (1410)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member is asking me if a quotation in a newspaper is correct. I have seen the quotation but I do not know if it is a correct one. I can see many ways of explaining the thought that might be behind such a quote. There were many options before the Cabinet, some of which were much more costly than the one we eventually

chose. Perhaps the minister had in mind that there were better deals if we had more money. We certainly made the decision, for the money we could dispose of over a period of time, which represented the best possible deal.

REASON FOR DELAY IN DECIDING ON ALTERNATIVE TO THE "ORION"

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I was not so much concerned about the Prime Minister having seen the press reports as I was about the Prime Minister having seen his Minister of National Defence. The minister is also reported to have said there are at least six possible alternatives of LRPA, and he has hopes of making a decision by the fall. Since all of these other options must have been thoroughly examined in the past before the Lockheed LRPA was finally decided upon, would the Prime Minister explain why we now have to wait until the fall before a new decision is reached? Are there any other elements that were not present when the other options were discarded that would make one of these other six or so alternatives of which the minister has spoken now relevant?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, there were, indeed, many options looked at, and the fact of having chosen one means that the other options fell by the wayside. The conditions, submissions and tenderings which were put forward by the other companies would certainly not apply at the present time. We would have to reassess the kind of options the various other companies would be making to see whether they were still within the price range we were interested in and to see what effects inflation or other technological change might have had on them, and then make a new choice. It does not seem to be complicated.

ALLEGED STATEMENT BY MINISTER "ORION" WAS NOT THE RIGHT AIRCRAFT—REQUEST FOR CLARIFICATION

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, now that the Minister of National Defence is in the House I wonder whether he would explain the quotation attributed to him over the weekend in which he is reported to have said in respect of the Orion matter:

—he didn't necessarily think the Orion was the right one in the first place.

If that report is correct would the minister indicate which aircraft he favoured over the Orion and why the deal went as far as it did without his full support, which seems to be the indication in this statement?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I do not know what article is being referred to, but my position was very clear. There was a long study undertaken by the project office, which was an interdepartmental office, exhaustively determining which was the best aircraft for Canada. The project office recommended, and we approved as our choice, the selection of the Lockheed for reasons I have given to the House on many occasions. It is the most cost-effective aircraft and we thought it was the best aircraft, but there was, and I repeat it once again, a problem of financing the interim payments. It is for that reason we did not purchase the Lockheed, not because it was not the best aircraft for the job.

REASON FOR ANNOUNCING PURCHASE OF LEOPARD TANKS AT NATO MEETING—REQUEST FOR ESTIMATE OF COST

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, it was reported over the weekend at the meeting of NATO foreign ministers in Oslo, that the Secretary of State for External Affairs announced that Canada is going to purchase 128 Leopard Mark I tanks for use in Canada and Europe. Today it was reported that the West German Minister of Defence has welcomed this decision. Can the Minister of National Defence confirm this decision, and also offer some explanation of why it was decided to have such an important announcement made abroad by the Secretary of State for External Affairs rather than have it made in this House by the Minister of National Defence?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I believe that if the hon. member reads the statement correctly he will see there was not an announcement of a purchase. I can confirm that the negotiations with the German government for the purchase of the Leopard I are proceeding satisfactorily, but there are a number of matters still to be concluded, and I think that fact was contained in the statement made. We did not announce the purchase of tanks from Germany.

Mr. McKenzie: Mr. Speaker, obviously the Secretary of State for External Affairs has been misquoted and I hope this matter will be straightened out with the West German Minister of Defence.

What is the total cost of these tanks, including spares, jigs and so on? If we are to sign a contract with the Federal Republic of Germany for the purchase of these tanks, can we be assured that this House will be kept informed of the progress of the negotiations, arrangements for financing and so on, so that we will not be subject to another process of bungling and mismanagement as we were with the LRPA.

Mr. Richardson: Mr. Speaker, in the first place I should like to point out to the hon. member that the Secretary of State for External Affairs was not misquoted. If he reads his statement closely he will see it is stated that there were still a number of factors to be considered and worked out before any such announcement is made. Until we have completed all the arrangements I cannot describe or talk about the details concerning price. That of course will be done at the time of an announcement.

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SUPPLY AND SERVICES

LOCKHEED CONTRACT—ALLEGED STATEMENT OF MINISTER THAT IT WAS A GREEDY DEAL—REQUEST FOR CLARIFICATION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Supply and Services. The Minister is quoted in Saturday's Toronto *Star* as describing the now defunct deal in respect of the Orion

aircraft with Lockheed as being a greedy project. Is this his view since on behalf of the government he sent a telex communication which amounted to a letter of intent to that corporation last December 2, and if he thought it was greedy at that time what did he mean; did he mean that we were going to get something we did not need in terms of defence requirements or that it was too costly? Why did he send that telegram at that time if he thought it was a greedy deal?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I said, in fact, that we were no longer negotiating with Lockheed on a business basis. The matter had become far more imbued with politics than the main business principles that are essential to the negotiation of contracts with suppliers. So, under those circumstances, the government decided to cancel further negotiations with Lockheed.

[*English*]

REASON MINISTER MADE COMMITMENT TO LOCKHEED IN VIEW OF UNCERTAINTY ABOUT FINANCING

Mr. Edward Broadbent (Oshawa-Whitby): Well, Mr. Speaker, I will have to read the transcript because the answer makes even less sense than usual. Following this answer, and with regard to the report in the Toronto *Star* of Saturday in which it is stated that the minister said that a "one man to one man verbal conversation" is by no means sufficient when one negotiates a contract involving hundreds of millions of dollars, may I say that I agree with him entirely. However, I should like to ask him if he believes that why would he send a telex committing the government to this deal last December when they had no commitment at that time for front-end financing for which he is responsible, and why more particularly after four further months did he on behalf of the government sign another contract with Lockheed committing the government to pay some $16 million without the assurance at that time that they would have the front-end financing.

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, when the hon. member will read today's debates of the House, I suggest to him that he also go over those of the last few months. As a matter of fact, the Minister of National Defence indicated that an official of his department had talked with an official of Lockheed concerning a possible means of financing the contract. Unfortunately, that agreement remained verbal and was never put down in writing, which necessarily made things more complicated.

In fact, as I told the House in December, we authorized Lockheed to undertake preliminary work for the contract. We authorized Lockheed to undertake preliminary work for the contract to protect the terms and conditions we had negotiated with it and which we regarded as a good deal. Unfortunately it was not possible to finance that deal. Since Lockheed could not get approval from the banks and we wanted to continue to protect the terms and conditions already negotiated, we had to sign in March a provisional contract which protected those terms. Our expenses with the Lockheed Corporation were not to exceed $16 million. In the circumstances, it was the best agreement we could get from that company to retain good terms and avoid breaking up the budgetary ceiling the government had set for itself.

● (1420)

[*English*]

ALLEGATION MINISTER BLAMES DEFENCE OFFICIALS FOR COLLAPSE OF "ORION" DEAL—PRIME MINISTER'S POSITION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I am sure many Canadians will wonder how spending $16 million and not getting any aircraft at all amounts to the best of a bad deal.

Some hon. Members: Hear, hear!

Mr. Broadbent: I would like now to ask the Prime Minister if he thinks it is appropriate for a minister of the Crown who is again quoted in the Saturday *Star* as putting the blame for the collapse of the Orion deal bluntly on Department of National Defence officials—the Prime Minister knows it is a long tradition for ministers to accept responsibility because civil servants cannot answer for themselves—to make this statement about officials in his or any other minister's department.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have not read the Toronto *Star* or, for that matter, any other Star. It seems to me that the minister just answered this question. He was quoting the Minister of National Defence himself who was not putting blame on anyone, explaining how there was a misunderstanding between a general in the Department of National Defence who was negotiating with Lockheed and the Lockheed Company. There had been a verbal agreement, as we understand it, and the Minister of National Defence has said this in the House before. From what the hon. member is asking it seems to me this is the reply which was just given by the Minister of Supply and Services.

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[*Translation*]

AGRICULTURE

SUGGESTION PROVINCES BE GIVEN POWER TO DEAL WITH DAIRY PROBLEMS

Mr. Eudore Allard (Rimouski): Mr. Speaker, I wish to put a question to the Minister of Agriculture.

Considering the general discontent of industrial milk producers and following the dairy policy announced for the current year, and considering that the Canadian Dairy Commission seems to fail in its task would the minister be prepared to let to farmers themselves and to provincial governments involved the task of organizing and coordinating the planning of the dairy industry in this country?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the Canadian Dairy Commission is responsible for all producers of industrial milk in Canada. We are not receiving representations from all parts of Canada, but we

have had some from some parts of the province of Quebec because producers in parts of Quebec recognize their responsibility toward making this program a success, and we are weighing it on those merits. There is no way that this Minister of Agriculture and this government can be responsible for paying money to people to produce a product that has no market. We told the producers what the production had to be last year. The marketing board is responsible for allocating the marketing quotas within the province. Different provinces operate under different systems. This is a most difficult program to operate and it is not without problems, but if producers, provincial marketing boards and the Canadian Dairy Commission want to work together, they can solve this problem.

Some hon. Members: Hear, hear!

[*Translation*]

DAIRYING—INQUIRY WHETHER RUMOUR OF 20 PER CENT REDUCTION IN QUOTAS IS WELL FOUNDED

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

Since industrial milk producers committed themselves to reduce their production by 12 per cent and the government requested 15 per cent last March or April, and since it seems now that the government requests 20 per cent reductions of their 1973-74 quotas, would the minister indicate whether this rumour is well founded?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): We are not asking for a 20 per cent reduction, but for the month of April the figures still show 15 per cent above last year's production. We asked for cuts in production last year at the end of June and in September. Instead, there were increases both times. There must be some kind of strict quota regulation, or we will only compound the problem we have at the present time. If dairy farmers stay within their production quota which is allocated to them by the provincial marketing boards, they can still make a decent living.

SUPPLY AND SERVICES

INQUIRY WHETHER ADVICE OF JUSTICE DEPARTMENT SOUGHT ON AUTHORIZING LOCKHEED TO BEGIN WORK

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker I would like to ask the Minister of Justice a question. Because there was a $1 billion oral contract, on Thursday, May 20, as recorded in *Hansard* at page 13700, the Minister of Supply and Services said that according to lawyers from the Department of Justice it was from that moment that the government had a contractual link with Lockheed. By signing the agreement with Lockheed on April 1, which limits Canadian liability to $16 million, a sort of retroactive legality appears to have been given to the letter of December 2. My question is, did the Minister of Supply and Services seek the advice of the Minister of Justice in November or December about whether he could authorize Lockheed to begin work on January 5 in spite of the fact that the actual contract had not been signed?

[Mr. Whelan.]

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I will want to check the precise dates, but I believe that throughout the Department of Supply and Services did have the advice of my officials as to the consequences of any actions it was taking.

Mr. Woolliams: The minister says they were in contact with him and his officials. What advice did the minister and his officials offer, particularly now that it has come out today that we had a billion dollar oral contract with regard to this matter? What advice was given, and did this commit Canada to liability beyond the $16 million?

Mr. Basford: The hon. member should know that traditionally, and for obvious reasons, the advice given to other departments is confidential.

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GRAIN

PROPOSED CHECK-OFF SYSTEM TO SUPPORT RESEARCH—GOVERNMENT POSITION

Mr. Jack Murta (Lisgar): Mr. Speaker, I would like to direct a question to the minister responsible for the Canadian Wheat Board. Since it has become very clear that producer groups affected in western Canada are at the present time requesting a grain check-off system to give further moneys to support research, is the government prepared to bring in legislation to accommodate this very necessary and practical request by the producers affected?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, in general my answer would be yes, that we are prepared to facilitate a check-off, which is desired by producers. It seemed to me that the broad determination of producers, in addition to the support of producer organizations, is desirable, and I have responded to the spokesmen for those groups indicating to them our preparedness to finance a plebiscite or a vote among producers, and if that is favourable, to proceed with the necessary provisions to enable the check-off to be adopted.

Mr. Murta: Can the minister give us a time frame in which we can expect a plebiscite in connection with a check-off system; if so, can the minister assure the House that possible legislation would be brought to parliament in the next session?

Mr. Lang: The timing of the plebiscite will depend a good deal upon the positive reaction of the groups concerned—which however, I would anticipate—and therefore I would assume we could have that disposed of during the next few months. I am not absolutely sure, in all the circumstances, what form of legislation may be required to implement this, but certainly with the co-operation of the opposition, so that there will be no problem about House time, I would look forward to seeing the necessary implementation as soon as possible after the session closed.

● (1430)

TRANSPORT

PROPOSED RATE CHANGES ON RAPESEED AND RAPESEED PRODUCTS—VIEWS OF PROVINCES

Mr. Don Mazankowski (Vegreville): Mr. Speaker, my question is directed to the Minister of Transport. May I ask the minister if he has received a response from the premiers of the prairie provinces and their ministers of transport to his May 6 Telex in regard to the order in council dated May 13 which advanced the new freight rate proposal with respect to rapeseed and rapeseed products which I might say further aggravates the anomaly between raw rapeseed and processed rapeseed? Could the minister indicate the nature of his reply and if he has received a response from the premiers?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, there is a sequence of telegrams moving back and forth and there may have been an interim reply to some of the points in my May 6 telegram. So far as I know, there has not been a reply to my latest telegram. As the hon. member knows, my reaction was to hold the level of rates on rapeseed oil at the lowest rate legally possible under the existing law, namely the compensatory rate. The discrepancy between rates or the anomaly to which the hon. member refers is solely due to the fact that the rapeseed is at a much lower rate than that, even though the oil is at a rate well below cost.

Mr. Mazankowski: A supplementary question, Mr. Speaker. The minister failed to acknowledge the fact that the rate for rapeseed meal has been adjusted upwards and that has placed a severe hardship on the processing industry in western Canada. In light of the fact that we now find that processors in western Canada are forced to suspend their rapeseed growing contracts with producers as a result of the new freight rate proposal, does the minister not consider his unilateral dictatorial action somewhat premature, having regard to the fact that we have a Stavely commission and a Hall commission studying all aspects of costing and grain transportation in western Canada?

Mr. Lang: Mr. Speaker, first of all there has been no change in rates at this point and as far as I know there is no intention to change the rates on meal, if I heard the hon. member refer to that specifically. The specific action is to indicate to the Canadian Transport Commission that it ought not to allow the rate on rapeseed to be set at any higher level than the compensatory level which is the lowest allowed by law. In view of the fact that the appeal process from the CTC decision has in effect taken eight or nine months or more, I can hardly join with the hon. member in thinking that we were in any great rush.

EFFECT ON INDUSTRY OF RATES ON RAPESEED—POSSIBILITY OF CHANGE IN CROWSNEST FREIGHT RATES

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a supplementary question for the Minister of Transport. Since he is the only Saskatchewan minister in the cabinet, may I ask if he has assessed the effect of his decision on the secondary and indeed the primary rapeseed industry? Also, have all the promises made at the Calgary Western Economic Opportunities Conference been scrapped? May I ask one more question at the same time, Mr. Speaker? In a statement on May 6 the minister suggested that perhaps the alternative might be to increase the Crowsnest freight rates on rape meal; is he opening that discussion again and picking away at the Crowsnest rates one grain at a time?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I have assessed the impact in relation to processing and, of course, it is true that differences in rates between raw materials and processed materials lead to the movement of the raw material as against the processing and movement of that material. I will be before the House in the next session with legislation to begin to deal more effectively with that whole issue in general. Of course, what I have done in relation to the western premiers or their transport ministers has been to ask them to please be honest enough to say so if what they mean is that they want a subsidy from other freight or from other taxpayers on the rapeseed, instead of hiding behind the argument of equity. Equity, of course, leading to the processing of a product can occur whatever the level of the rate.

I have been pointing out to the premiers that they can hardly expect a rate as far below cost as the Crow rate is, to be applied to other goods today such as oil and beef. In both cases, we get the discrepancy of movement of the seed or the grain instead of the movement of the product. What I want from them is honesty to recognize that if there is equity to be obtained it can be obtained, and perhaps even at a below cost level, but if what they are really insisting upon is subsidies in a new area on particular products, they should be honest enough to say so.

Mr. Mazankowski: You want to destroy the Crow rates.

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POST OFFICE

POSSIBILITY OF TURNING DEPARTMENT INTO CROWN CORPORATION

Mr. Alan Martin (Scarborough West): Mr. Speaker, I have a question for the Postmaster General. In view of the minister's positive response during the debate on May 21 to my question relating to the concept of the Post Office being moved from its current status as a department of government to some form of autonomous or special status, such as that occupied by the Royal Canadian Mint, could the minister give some indication of when such enabling legislation might be brought before parliament?

Hon. Bryce Mackasey (Postmaster General): The answer is no, Mr. Speaker.

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EXTERNAL AFFAIRS

REQUEST FOR REPRESENTATIONS TO SOVIET UNION ON BEHALF OF VALENTYN MOROZ

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in the absence of the Secretary of State for Exter-

nal Affairs may I direct a question to the Prime Minister concerning the Ukrainian historian Valentyn Moroz along the lines of a motion that the hon. member for Athabasca sought to move on Friday. As Your Honour knows, those of us who were members of the delegation, of which you were the leader, to the Soviet Union last September tried to make representations on behalf of Valentyn Moroz so we are aware of the difficulty, but even so, in view of the news that he is being transferred to a psychiatric institute, the result of which is likely to be quite ominous, will the government again make representation to the Soviet authorities for the release of Valentyn Moroz?

Some hon. Members: Hear, hear!

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, in the name of the Secretary of State for External Affairs I recognize that the hon. member expresses the views of many, many Canadians represented by members on both sides of the House.

Some hon. Members: Hear, hear!

Miss Bégin: The hon. member just said that he knows that the rule of international law is that of not interfering in the domestic affairs of another state. He also knows that we have taken, and will be taking, every chance to put very strongly to the Soviet authorities our concern in the case of Valentyn Moroz, in the context not only of the concerns of Canadians but also of the Helsinki agreement.

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HEALTH

DATE OF ACTION TO ENSURE SAFE WORKING ENVIRONMENT FOR ASBESTOS WORKERS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the Minister of National Health and Welfare. In view of the fact that the report of the federal-provincial advisory group on health hazards related to asbestos has stated that a definite health hazard exists, in the first place, and that, according to the minister's press release, the Department of the Environment on his advice has recently proposed a national emission standard for asbestos under the Clean Air Act, could the minister inform the House when he anticipates that some meaningful action will be taken to ensure a safe working environment for asbestos workers?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, as I have already indicated in the press release the hon. member referred to, several steps have been taken by my department in this area but a lot of action is required from the provinces. It is not my responsibility to answer for the Department of the Environment.

Mr. Yewchuk: Mr. Speaker, a supplementary question. Could the minister indicate what action he has taken to improve the health surveillance of asbestos workers?

[*Translation*]

Mr. Lalonde: Mr. Speaker, after the report was presented, several steps were taken and announced at various times. I should like to remind the hon. member that close consultations are now being conducted with the provinces with a view to improving inspection at the various plants where asbestos is being treated. Consultations have been under way for several months. I recommended, among other things, a maximum level of asbestos in the air, but since the inspection of the plants in question falls especially to provincial authorities, the work must be done with them in this connection.

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[*English*]

ENERGY

RADIATION HAZARD IN PORT HOPE—LENGTH OF TIME AND COST OF CLEAN-UP

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources? I understand that the minister has received a report from the MacLaren firm of consulting engineers regarding the extent of the damage to the Port Hope area, and perhaps other areas throughout Canada, as a result of radioactivity and radon gas. In respect of Port Hope, could the minister tell the House how long the clean-up will take and how much it will cost?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I cannot give any precise figures about how long it is going to take, although I wish I could. As the hon. member undoubtedly knows there is a problem in finding a permanent disposal site for the residue which has to be removed from various properties in Port Hope. I was there on Friday and talked to city council and others in the city. I hope we will be able to work out a transitional arrangement so that we can get on with the clean-up, which can start early in June. Meanwhile, work will proceed and the MacLaren report which the hon. member mentioned will be released tomorrow.

● (1440)

CLEAN-UP OF RADIATION HAZARD IN DELORO AND BANCROFT

Mr. J. R. Ellis (Hastings): A supplementary question, Mr. Speaker. Will the minister use exactly the same kind of pressure to effect clean-ups in Hastings county, particularly in Deloro and Bancroft, as the problem arises in both those communities?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I assure the hon. member that the pressure is on.

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NATIONAL DEFENCE

LOCKHEED CONTRACT—PROTECTION OF ELECTRONIC AND ENGINEERING DESIGNS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I direct a question to the Minister of National Defence? I am concerned about the financial authority under which we spend money with respect to the Orion after the initial work-up and definition phase. Is the minis-

ter in a position to indicate to this House how the Department of National Defence or the Government of Canada will protect certain engineering rights we have with respect to electronic suits and modifications to the basic Orion airplane which would permit the remote sensing of weapon pods or capabilities. How are we protected?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, we are the legal owners of any design work that has been done to date under progress achieved by Lockheed before the contract was terminated.

Mr. Forrestall: A supplementary question, Mr. Speaker. May I ask the minister where those plans are? Are they in Canada or the United States?

Mr. Richardson: Mr. Speaker, the work has been done in the United States, at the Lockheed plant.

Mr. Forrestall: A final supplementary question, Mr. Speaker. In the light of that answer, can the minister indicate what steps the department is taking to bring those plans home to Canada, where they belong?

Mr. Richardson: Mr. Speaker, this will, of course, be negotiated at the time of the wrap-up of the progress that has been made on the program to date. We have indicated that the maximum cost is $16 million but there may be negotiations which can reduce the cost below that figure. These discussions are now to take place.

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NORTHERN AFFAIRS

POSSIBLE RECRUITMENT AND TRAINING OF NATIVES AS ENVIRONMENTAL INSPECTORS

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, may I direct a question to the Minister of Indian Affairs and Northern Development arising from the announcement concerning reforms in oil and gas regulations in the north and the environmental emphasis. Will the minister outline in specific terms the programs his department has to train and recruit native peoples as environmental inspectors?

Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development): Mr. Speaker, I do not think I can do that in detail at this time but can assure the hon. member that in this area we feel strongly there should be good opportunities for native peoples. Since this is their natural area, we feel they could fit in very well, and we are moving in that direction.

Mr. Dinsdale: A supplementary question, Mr. Speaker. Could the minister be specific and indicate if it is his intention to employ native environmental inspectors? What number does he feel would be involved in the program?

Mr. Buchanan: Mr. Speaker, the answer is, yes, it is our intention to do that. I think the figure suggested to me was between 60 and 70 persons.

OIL AND GAS REGULATIONS—MINISTER'S VIEW ON PUBLIC HEARINGS IN CONNECTION WITH LAND USE PERMITS

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, may I direct a supplementary question to the Minister of Indian Affairs and Northern Development regarding the oil and gas regulations? I am attempting to clear up contradictions between statements in those regulations and in his statement entitled, "Land and environmental control," in which he made known his strong feelings about public hearings. Is it the minister's opinion that the oil and gas regulations as tabled last Wednesday made mandatory the public hearings about which the minister in his statement claims to feel so strongly?

Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development): Mr. Speaker, the process to which the hon. member refers comes under our land use regulations which require that, if there is to be significant exploration, application must be made for a land use permit. That application must be made available to the communities which would be affected. They have six weeks in which to respond to the application.

Mr. Jarvis: A supplementary question, Mr. Speaker. In his statement the minister referred to environmentally insignificant exploration activities. Would the minister in general terms explain what he meant when, in his statement, he used the term "environmentally insignificant exploration activities?"

Mr. Buchanan: Mr. Speaker, we felt that some activities had reached a point at which we could not control them. In other words, an individual going down the river in a canoe, taking with him a backpack, might be doing some exploration. We felt it would not be sensible to try to squeeze a case of that kind into our bailiwick and require land use permits.

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AIRPORTS

PICKERING—ALLEGED MINISTERIAL PRESSURE TO PROMOTE CONSTRUCTION

Mr. D. M. Collenette (York East): Mr. Speaker, my question is for the Minister of Transport. I should like to ask the minister if his two announcements last week, one not to allow more foreign carriers into Toronto International Airport and the other regarding the allocation of $30 million to the CPR for Montreal-Quebec rail improvements, instead of immediate assistance to CN for the Montreal-Toronto-Windsor rail service, are part of an over-all plan of his department, as alleged by some, to intensify pressure on the citizens of Toronto to accept the air mode as the only way to travel and, therefore, to accept the building of Pickering airport?

Hon. Otto E. Lang (Minister of Transport): No, Mr. Speaker. Indeed, if there were no need to incur additional airport expenditures in any area of Canada, we would be delighted to avoid them. Our real concern is that people in the Toronto area, as well as people generally, will in all probability want to fly from Toronto and to Toronto from points far distant; therefore there will be the continuing

problem of lack of runway capacity in a couple of years' time. Rail services from Toronto are at present the best in Canada. That, essentially, is our reason for choosing some other locations for immediate first improvements. As the hon. member will know from having read the full statement, there are intentions, as well, to improve progressively rail travel in all parts of Canada. These include such immediate steps as we can take in the Toronto-Windsor area.

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SUPPLY AND SERVICES

LOCKHEED CONTRACT—DEPARTMENT'S KNOWLEDGE OF FINANCING DIFFICULTIES

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, may I direct my question to the Minister of Supply and Services? In interviews which were broadcast over the weekend the minister claimed that a general of the Department of National Defence had obtained assurances from Lockheed that financing would be available but that officials in the Department of Supply and Services knew nothing about this. Is the minister seriously claiming that Mr. L. H. Stopforth, who was from his own department and was deputy project manager was deliberately kept in ignorance of these facts by his colleagues on the LRPA team? Was the minister's deputy minister not apprised of this particular situation?

An hon. Member: Anything is possible with that government.

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I do not know whether it was done deliberately but, be that as it may, the representative of my department on the management committee of that project was not advised of the possibility of that financial arrangement.

[*English*]

LOCKHEED CONTRACT—REQUEST FOR TABLING OF CONTRACT AND AUTHORIZATION TO START WORK

Mr. Ray Hnatyshyn (Saskatoon-Biggar): A supplementary question, Mr. Speaker. In view of the seriousness of the matter, and the serious questions which have arisen with respect to this entire matter, I wonder if I can again call on the minister to table the unsigned contract with Lockheed and the authorization to start work which he sent to Lockheed on December 2, so that we may begin to assess the procedure which led us into this mess.

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I have already indicated why I cannot table the document mentioned by the hon. member. The hon. member referred to one, namely that this document has never been signed and is therefore legally nonexisting. Moreover, it is sure that the tabling of this document which has no legal significance could harm Lockheed, should this company wish to offer the government a new contract. As I do not wish to harm any party, or any company wishing to deal with the government, I will not table this document.

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[*English*]

INCOME TAX

PROPOSAL TO ALLOW CONVERSION OF REGISTERED RETIREMENT SAVINGS PLANS—GOVERNMENT POSITION

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, my question is for the Minister of National Revenue. At present registered retirement savings plans can neither be withdrawn nor used to purchase annuities available only through insurance companies. Recently Revenue Canada saw fit to approve the conversion of RRSP's to conventional trusts, which would mean that the interest only would be subject to tax, leaving the capital intact. However, final approval from the Department of Finance is necessary before such a change can take place. Can the minister now say whether this approval has been obtained and, if so, when this policy will take effect?

Hon. Jack Cullen (Minister of National Revenue): Mr. Speaker, there has been a hint or suggestion in the press that there has been some disagreement as between our interpretation and that of the Department of Finance. That is not correct. Before I say any more I think I had better hear what is to be said this evening.

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● (1450)

AGRICULTURE

DAIRY POLICY—REQUEST FOR MINISTER'S ADVICE TO QUEBEC PRODUCERS

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question is directed to the Minister of Agriculture and it is based on scores of questions put to me by farmers in my province who come to me and say: "Heward, what are we going to do—kill our cows or throw our milk in the river?"

Some hon. Members: Shame!

Mr. Grafftey: I ask the minister this question so that I may advise the farmers in my area who are faced with these disastrous alternatives as a result of the minister's milk policy. What does he advise Quebec farmers to do—kill their cows or throw their milk into the river?

Some hon. Members: Oh!

Mr. Grafftey: On a point of order—

Mr. Speaker: I will hear the hon. member at three o'clock.

THE QUEEN

PLANS FOR CELEBRATION OF HER MAJESTY'S SILVER JUBILEE

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is directed to the Prime Minister. Can the right hon. gentleman tell us soon about the plans for the celebration next year of Her Majesty's Silver Jubilee, more particularly as regards the production of stamps and coins, tours and holidays and celebrations of a Dominion nature?

Right Hon. P. E. Trudeau (Prime Minister): I will have to refer for details to the Secretary of State who has these matters in hand. I can tell the House from memory that apart from Her Majesty's plans to visit Canada during her Silver Jubilee year other ceremonies have been prepared; one of them involves my participation in the Commonwealth Conference in London next year.

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CANADIAN NATIONAL RAILWAYS

MOVEMENT OF ACCOUNTING OFFICE FROM CAPREOL TO TORONTO—GOVERNMENT ACTION

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, my question is for the Minister of Transport. In view of the decision of the Canadian National to centralize its revenue accounting operations in Toronto, which will result in the loss of jobs in Capreol and which certainly contravenes the government's often-stated policy of decentralizing its operations, and in view of the fact that more than 1,650 of the residents of Capreol, a community completely dependent on the CNR, have signed a petition protesting this move—I will present a copy to the minister later—can the hon. gentleman assure the House that he will instruct the CNR to cancel this proposal to shift part of its operation to Toronto, which doesn't need these jobs, in the interests of the community of Capreol?

Hon. Otto E. Lang (Minister of Transport): There are times, of course, when the move of a smaller unit to the location of a larger unit make economic sense, even when the direction is from Capreol to Toronto and consequently inconsistent, certainly, with the objective of the government, that is to say, decentralization. I think it is important for Crown corporations to take account of decentralization objectives whenever they can. However, I would not try to second guess every move of this nature that is made.

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TRANSPORT

REASON FOR SUBSIDIZING CANADIAN PACIFIC RATHER THAN CANADIAN NATIONAL RAILWAY QUEBEC-MONTREAL SERVICE—CONSULTATION WITH UNIONS

Mr. John Rodriguez (Nickel Belt): A further question to the Minister of Transport, Mr. Speaker. In view of the hon. gentleman's recent announcement that the government will be making $30 million available to the CPR to enable improvements to be made in the company's rail passenger service between Quebec City and Montreal, and in view of the dismal record of the CPR in connection with passenger service as compared to the CNR, which has already improved the service in the Windsor-Quebec City corridor, and in view of recent comments by the Minister of Labour suggesting there would be more consultation with unions concerning major issues, can the minister explain, first, why the CPR was chosen for funding in this area rather than the publicly-owned CNR and, second, whether the trade unions concerned were fully consulted in the light of the fact that this funding has serious implications for CNR workers in this area?

Hon. Otto E. Lang (Minister of Transport): There have been some discussions, and there will be more as matters proceed. It is, of course, important to make a decision and announce it before one can take meaningful decisions about the way in which the various problems associated with it are to be dealt with. As I indicated to the House last week this is not a question of an amount for the CPR but rather of an amount for the upgrading of a rail line along which the passenger service will run. I foresee it will be run as one common marketing operation with the joint involvement of two railways, the CN, without doubt, being the dominant one.

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AGRICULTURE

REQUEST FOR EMBARGO ON IMPORTATION OF CHEESE

Mr. John Wise (Elgin): Mr. Speaker, my question is directed to the Minister of Agriculture. It relates to reports this morning that rotten imported cheddar cheese could be sold on our domestic market. It is reported that this product has been offered for sale by cheese importers at a price between 50 and 60 cents below the current market price. Will the minister instruct the appropriate officials of his department to investigate this matter and impose an embargo immediately on all imported cheese?

Hon. E. F. Whelan (Minister of Agriculture): I understand there is every possibility that this cheese was inspected when it was brought into Canada. But it has been in storage in Canada for over a year; it was when it was brought out of storage that it was found to be unfit for human consumption. It is suggested that with some modification it could probably be made fit for human consumption—this would involve scraping the mold off the sides. I might say that over 4,000 inspections of imported cheese were carried out last year. If the hon. member or anyone else thinks I want Canadians to eat bad cheese they are mistaken; I would like nothing better than to have the authority to condemn it. But if it can be made fit for human consumption, and come up to our standards, it will be approved. Under no circumstances will it be approved otherwise.

Oral Questions

EXTERNAL AFFAIRS

CANADIAN POSITION ON COMMITMENT TO COMMON FUND ESTABLISHED BY UNCTAD CONFERENCE

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Prime Minister. It arises from the crucial stage of the deliberations at the United Nations Conference on trade, aid and development in Nairobi. I believe the Prime Minister has received representations over the weekend from some of the non-governmental observers at the conference in Nairobi as well as perhaps some advice from his own foreign policy adviser concerning the basic test of political will formulated by the Group of 77 having to do with participation in the common fund which now stands, I think, at some $430 million with $500 million being the take-off point. Can the Prime Minister indicate whether any special instructions have been directed to the Canadian delegation in Nairobi to making a firm commitment on the common fund before the conclusion of the conference?

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): The hon. member, I gather, will find the answer to that very same question in last week's *Hansard*. Canada has, right from the beginning of UNCTAD, made a firm commitment to the tin buffer stock. As to the idea of the common fund which arose from the Manila Declaration, a rather recent one received by our country only a few months before the conference, the minister said he would consider the principle very favourably. Everybody read the news reports over the weekend about the tough negotiations at this last week of Nairobi and Canada's role is very well known. We are ready to contribute to anything which makes sense, and we have already announced a first contribution. The common fund is a theoretical proposal which is being negotiated at the very moment.

Mr. MacDonald (Egmont): I thank the parliamentary secretary for her answer but in view of the fact that her answer last Thursday was not correct with respect to OPEC country commitments from Iraq, Venezuela and Algeria, and in view of the fact that discussion is not commitment and that there needs to be some separation of the common fund principle from the tin agreement which is really quite another matter, will the Prime Minister or the parliamentary secretary confer with the Canadian delegation in Nairobi to determine whether the facts are not that the Canadian commitment with respect to the common fund would be crucial to achieving success at UNCTAD, crucial, in fact, to the continuing role of the North-South Conference which has already been jeopardized, apparently, according to the comments of Canada's co-chairman, Perrez Guerrero, in criticizing Canada's position?

Miss Bégin: Canada does not jeopardize the future of any common fund whatsoever. Canada has always been favourable to any concrete proposal that is likely to stabilize the production of vulnerable commodities. Out of the 10 major commodities of which we are talking in relation to the idea of a common fund, Canada has already picked one commodity for which the idea of a common fund is feasible, namely tin, and we have made clear we are ready to make a contribution. Canada is a party to the two agreements that already exist on other commodities.

The hon. member's personal view is that he favours a common fund; others would go at this for the benefit of the parties concerned, who are the Third World, commodity by commodity. Canada is willing to study any proposal that is of real interest and benefit for the Third World but not for ideological purposes only.

* * *

● (1500)

HOUSE OF COMMONS

PRESENCE IN GALLERY OF MINISTER OF GREENLAND FOR DENMARK

Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development): Mr. Speaker, I should like to call the attention of the House to the presence in our gallery of the Hon. Jorgen Hansen, the Minister of Greenland for Denmark.

Some hon. Members: Hear, hear!

Mr. Grafftey: Mr. Speaker, I rise on a point of order. During the last ten days I have received some extremely serious representations from literally hundreds of Quebec dairy farmers who are faced with a most serious dilemma. They have put the question seriously to me, and I put it seriously to the Minister of Agriculture today.

The Quebec farmers are facing a particular problem. It takes them years to build up a herd. They have to maintain a certain number of cows on their farm if they are going to make farm credit payments as determined by another branch of the federal government. They are literally on the horns of a disastrous dilemma. They have asked me to ask the Minister of Agriculture, as I did today, what they should do—shoot their cows, or throw their milk in the river? That was the serious question that I put today, and I think the farmers of Quebec merit an answer.

Mr. Speaker: Order, please. The failure of the minister to answer the question was not through any apparent unwillingness on his part. We have reviewed rather carefully the rules that pertain to the question period. I try not to enforce them too strictly against any member who seeks to put a serious question. However, a question ought not to be argumentative, yet not seek too general a reply. It ought not to seek advice but, rather, information; and it ought not to be a repetition of a previous question. Regrettably, the hon. member's question today suffered from all three disabilities.

Mr. Whelan: Mr. Speaker, on the point of order, last Thursday was set aside in the House for debate on the estimates of the Department of Agriculture. A lot of debate took place at that time about dairy policy. I do not know whether the hon. member was absent, but he did not participate in that debate. I do not know where he was. I also suggest to him that he go to his constituents in Brome-Missisquoi and tell them what he said in this House, namely, that I was paying the dairy farmers of Canada too much money.

ROUTINE PROCEEDINGS

[*Translation*]

OLD AGE SECURITY

TABLING OF REPORT "ANALYSIS OF CERTAIN PROPOSALS FOR AMENDING THE CANADA PENSION PLAN"

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I would like to table before the House the report of Advisory Committee on the Canada Pension Plan entitled "Analysis of certain proposals for amending the Canada Pension Plan".

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[*English*]

SUPPLY AND SERVICES

TABLING OF AGREEMENT DATED MARCH 31, 1976, BETWEEN LOCKHEED AIRCRAFT CORPORATION AND GOVERNMENT OF CANADA

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I should like to table a letter of agreement dated March 31, 1976, between Lockheed Aircraft Corporation and the Crown, and related articles, in both official languages.

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AGRICULTURE

ANNUAL REPORT OF CANADIAN WHEAT BOARD FOR CROP YEAR ENDED JULY 31, 1975

On the order: Government notices of motions:

May 19, 1976—The President of the Privy Council:

That the annual report of the Canadian Wheat Board for the crop year ended July 31, 1975, tabled April 8, 1976, be referred to the Standing Committee on Agriculture.

Mr. Speaker: Pursuant to section (2) of Standing Order 21, this notice of motion is transferred to and ordered for consideration under government orders at the next sitting of the House.

QUESTIONS ON THE ORDER PAPER

[*Translation*]

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 4,119, 4,177, 4,448 to 4,452 inclusive, 4,457, 4,459, 5,310, 5,363, 5,387 to 5,390 inclusive, and 5,456 to 5,460 inclusive.

I ask, Mr. Speaker, that the remaining questions be allowed to stand.

Order Paper Questions

[*Text*]

SPECIALTY TRAINING FOR TREATMENT OF LETHAL DISEASES

Question No. 4,119—**Mr. Robinson:**

1. Do nurses volunteer to care for patients with a lethal disease when at present there are (a) no preventive measures (b) no real treatment (c) a high mortality rate (d) a high risk for health personnel and, if so, how many?

2. Can such specialty training be obtained and, if so, in what location?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. The training received by all graduate nurses includes understanding of isolation techniques in providing care for patients with communicable diseases. There exists a stand-by pool of approximately 80 nurses who have undergone specialized training in isolation nursing techniques related to medical flight evacuation operations and who have volunteered to respond to any emergency in this context.

2. Specialty training in barrier techniques for nurses is available to nursing officers of National Defence from the United States Air Force. Specialty training in Canada was provided by the Emergency Health Services program in the early 1960's in conjunction with other programs of the government and the Emergency Measures Organization in response to concern over the likelihood of a nuclear attack. Since that time, the Emergency Health Services Program has assisted the provinces by providing standards, guidelines, training and education for various groups from the provinces on contingency planning in the event of natural disasters among which would be included techniques of prevention and of containment of infectious conditions.

PSYCHIATRISTS—ROCKWOOD INSTITUTION

Question No. 4,177—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Rockwood Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHIATRISTS—CARLTON CENTRE

Question No. 4,448—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Carlton Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHIATRISTS—PORTSMOUTH CENTRE

Question No. 4,449—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Portsmouth Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

Order Paper Questions

PSYCHIATRISTS—MONTGOMERY CENTRE

Question No. 4,450—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Montgomery Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHIATRISTS—ST. HUBERT CENTRE

Question No. 4,451—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at St. Hubert Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHIATRISTS—PARRTOWN CENTRE

Question No. 4,452—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Parrtown Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHIATRISTS—DUNGARVON

Question No. 4,457—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Dungarvon and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General: Nil.

PSYCHIATRISTS—WESTMORELAND

Question No. 4,459—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Westmoreland and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

MR. ANDREW COHEN

Question No. 5,310—**Mr. Baker (Grenville-Carleton):**

1. Has Mr. Andrew Cohen, former Executive Assistant to the Secretary of State, been commissioned to do any research work in France on behalf of the Department and, if so (a) for what purpose (b) what fees or other remuneration will he receive?

2. In what location is such work to be undertaken and what is the duration of the Commission?

3. What agencies of the government or any other government or the United Nations or any agency thereof have carried on similar research?

[Mr. Poulin.]

Hon. James Hugh Faulkner (Secretary of State): In so far as the Department of the Secretary of State is concerned: 1. Mr. Cohen is under contract to do research work in Western Europe. He is living in France, but his work will not be confined to that country. (a) Mr. Cohen is to prepare for the Department of the Secretary of State a report on the extent and nature of government involvement, in a number of West European countries, in the film and publishing fields with respect to: (1) legislation. (2) funding mechanisms. (3) existence of special agencies for promotion of film and publishing on the marketing of books and films. (4) the mandate of Government Departments or agencies. (5) the budgets for promotion of publications and films. (6) the mechanisms for consultation between the Government and the private sector. He will also prepare a dossier of relevant statistics and Government statements for subsequent analysis by the Secretary of State's Department. (b) $5,000 plus $1,000 accountable travel expenses.

2. Emphasis will be placed on those European countries which have problems comparable to those of Canada i.e. countries of a bilingual or multilingual nature, countries of small population, countries with larger neighbours of the same language, etc. The contract commenced on March 1, 1976 and ends on October 29, 1976.

3. To the knowledge of the Secretary of State Department no such research work as it pertains to Canada has been carried out since the O'Leary Report "Canada Royal Commission on Publications 1961".

ELIGIBILITY OF FORMER MEMBERS OF CANADIAN ARMED FORCES IN PSC COMPETITIONS IN ATLANTIC PROVINCES

Question No. 5,363—**Mr. Forrestall:**

Has the government or its agencies taken, in the last six months, any action to make members of the Canadian Armed Forces, formerly resident in Atlantic Canada, eligible to compete in closed competitions held by the Public Service in the Atlantic provinces without regard for the geographical or organizational limits prescribed by the competition and, if so, what was such action?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): I am informed by the Public Service Commission as follows: No. The commission, under the provision of Section 13(b) of the Public Service Employment Act, is required to consider only the part of the public service and the occupational nature and level of positions in which prospective candidates must be employed at the time the closed competition is held, in order to be eligible for appointment. Therefore, former residence in a geographical area does not make a candidate eligible to compete in competitions open only to people occupying positions in that same geographical area. In the last six months, the commission has taken no action to change this requirement.

NEW INVESTMENT PROPOSALS

Question No. 5,387—**Mr. Nystrom:**

1. Was a new investment proposal made by two British Columbia corporations, River Vista Properties Ltd., which is equally owned by a landed immigrant and a resident of Italy, and Excel Industries Ltd., to establish a new business in Kamloops, British Columbia, under the name Zinetti Pasta Ltd. for the manufacture of pasta products and, if

so, what is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

2. Who are the principal shareholders of River Vista Properties Ltd. and Excel Industries Ltd?

3. Do River Vista Properties Ltd. or Excel Industries Ltd. control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by percent of control and value?

4. What will be the effect of the establishment of this petroleum refinery on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts, components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada?

5. How many persons will be employed once the new plant is established?

6. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

7. How will the establishment of this plant be (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the new plant?

8. What is the significant benefit to Canada of the transaction?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as the Foreign Investment Review Agency is concerned: an investment proposal was made by two British Columbia corporations, River Vista Properties Ltd. and Excel Industries Ltd. to establish a new business in Kamloops, B.C. under the name of Zinetti Pasta Ltd. The proposed investment was deemed to be allowed on April 13 by His Excellency the Governor in Council. All information with respect to a person, business or proposed business obtained in the course of the administration of the Foreign Investment Review Act is privileged and may not be released except as provided for in Section 14 of that act.

COMPANY TAKEOVERS

Question No. 5,388—**Mr. Nystrom:**

1. In the takeover of Insul-8 Corp. (Canada) Limited of Rexdale, Ontario (which is a company owned by Rucker Company of Oakland, California) by Insul-8 Corporation of San Carlos, California (which is owned by Acieries de Gennevilliers, of Gennevilliers, France), what percentage of control will Insul-8 Corporation of San Carlos, California (which is owned in turn by Acieries de Gennevilliers of Gennevilliers, France) acquire?

2. What is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

3. Who were the principal shareholders of Insul-8 Corp. (Canada) Limited of Rexdale, Ontario and what control, if any, will they retain in the company?

4. Who are the principal shareholders of Acieries de Gennevilliers, of Gennevilliers, France and what are their holdings in the company?

5. Does Insul-8 Corporation of San Carlos, California and/or their parent company Acieries de Gennevilliers of Gennevilliers, France control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by per cent of control and value?

6. What will be the effect of the takeover on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada (g) employment within Insul-8 Corp. (Canada) Limited of Rexdale, Ontario and within the industry?

7. (a) How many persons did Insul-8 Corp. (Canada) Limited of Rexdale, Ontario employ before the takeover (b) how many are presently employed?

8. (a) What are the unions, if any, who represented the employees (b) did they approve or disapprove of the takeover (c) was their opinion sought?

9. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

10. How is the takeover (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the takeover?

11. What is the significant benefit to Canada of the takeover?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): See reply to question 3,954 answered on March 2, 1976.

COMPANY TAKEOVERS

Question No. 5,389—**Mr. Nystrom:**

1. In the takeover of The Hamilton Facing Mill Company, Limited of Hamilton, Ontario (which is a wholly-owned subsidiary of Thiem Corporation, a US company) by Koppers Company, Inc. of Pittsburgh, Pennsylvania, what percentage of control will Koppers Company, Inc. of Pittsburgh, Pennsylvania acquire?

2. What is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

3. Who were the principal shareholders of Hamilton Facing Mill Company, Limited of Hamilton, Ontario and what control, if any, will they retain in the company?

4. Who are the principal shareholders of Koppers Company, Inc. of Pittsburgh, Pennsylvania and what are their holdings in the company?

5. Does Koppers Company, Inc. of Pittsburgh, Pennsylvania control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by per cent of control and value?

6. What will be the effect of the takeover on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada (g) employment within The Hamilton Facing Mill Company, Limited of Hamilton, Ontario and within the industry?

7. (a) How many persons did The Hamilton Facing Mill Company, Limited employ before the takeover (b) how many are presently employed?

8. (a) What are the unions, if any, who represented the employees (b) did they approve or disapprove of the takeover (c) was their opinion sought?

9. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

10. How is the takeover (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the takeover?

11. What is the significant benefit to Canada of the takeover?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): See reply to question 3,954 answered on March 2, 1976.

Order Paper Questions

COMPANY TAKEOVERS

Question No. 5,390—**Mr. Nystrom:**

1. In the takeover of Equity Mining Capital Limited of Vancouver and S.G. Mining, Inc. of Vancouver by Equity Mining Corporation of Vancouver, British Columbia, what percentage of control will Equity Mining Corporation of Vancouver, British Columbia acquire?

2. What is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

3. Who were the principal shareholders of Equity Mining Capital of Vancouver and S.G. Mining, Inc. of Vancouver and what control, if any, will they retain in the company?

4. Who are the principal shareholders of Equity Mining Corporation of Vancouver, British Columbia and what are their holdings in the company?

5. Does Equity Mining Corporation of Vancouver, British Columbia control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by per cent of control and value?

6. What will be the effect of the takeover on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada (g) employment within Equity Mining Capital Limited of Vancouver and S.G. Mining, Inc. also of Vancouver and within the industry?

7. (a) How many persons did Equity Mining Capital Limited and S.G. Mining, Inc. employ before the takeover (b) how many are presently employed?

8. (a) What are the unions, if any, who represented the employees (b) did they approve or disapprove of the takeover (c) was their opinion sought?

9. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

10. How is the takeover (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the takeover?

11. What is the significant benefit to Canada of the takeover?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): See reply to question 3,954 answered on March 2, 1976.

COMPANY TAKEOVERS

Question No. 5,456—**Mr. Nystrom:**

1. In the takeover of an apartment complex in Longueuil, Quebec, known as Appartements Ports de Mer/Seaport Apartments by Schaan Properties Limited, a private company controlled by Leitungsgesellschaft A.G., which is in turn ultimately controlled by citizens of Switzerland, Italy and Germany, what percentage of control will Schaan Properties Limited acquire?

2. What is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

3. Who were the principal shareholders of Appartements Ports de Mer/Seaport Apartments and what control, if any, will they retain in the company?

4. Who are the principal shareholders of Leitungsgesellschaft A.G., which is a holding company in Switzerland and what are their holdings in the company?

5. Does Schaan Properties Limited or Leitungsgesellschaft A.G. control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by per cent of control and value?

6. What will be the effect of the takeover on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada (g) employment within Appartements Ports de Mer/Seaport Apartments and within the industry?

7. (a) How many persons did Appartements Ports de Mer/Seaport Apartments employ before the takeover (b) how many are presently employed?

8. (a) What are the unions, if any, who represented the employees (b) did they approve or disapprove of the takeover (c) was their opinion sought?

9. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

10. How is the takeover (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the takeover?

11. What is the significant benefit to Canada of the takeover?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): See reply to question 3,954 answered on March 2, 1976.

COMPANY TAKEOVERS

Question No. 5,457—**Mr. Nystrom:**

1. In the takeover of General Crane Industries Limited of London, Ontario, which is a wholly-owned subsidiary of Walter Kidde & Company, Inc, of Clifton, New Jersey by David G. Ghysels, a citizen and resident of the United States, what percentage of control will David G. Ghysels acquire?

2. What is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

3. Who are the principal shareholders of Walter Kidde & Company, Inc. of Clifton, New Jersey and what are their holdings in the company?

4. Does David G. Ghysels control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by per cent of control and value?

5. What will be the effect of the takeover on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada (g) employment within General Crane Industries Limited of London, Ontario and within the industry?

6. (a) How many persons did General Crane Industries Limited of London, Ontario employ before the takeover (b) how many are presently employed?

7. (a) What are the unions, if any, who represented the employees (b) did they approve or disapprove of the takeover (c) was their opinion sought?

8. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

9. How is the takeover (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the takeover?

10. What is the significant benefit to Canada of the takeover?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): See reply to question 3,954 answered on March 2, 1976.

NEW INVESTMENT PROPOSAL

Question No. 5,458—**Mr. Nystrom:**

1. Was a new investment proposal made by Wiltron Company of Palo Alto, California, a private company, to establish a new business in Ottawa, Ontario, under the name of Wiltron Instruments Ltd./*Instruments Wiltron Ltée*, to market and service, for its parent company, a variety of specialized electronic measuring and testing equipment used in broadcasting, radar, telephone microwave links and satellite communications and, if so, what is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

2. Who are the principal shareholders of Wiltron Company of Palo Alto, California?

3. Does Wiltron Company of Palo Alto, California control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by percent of control and value?

4. What will be the effect of the establishment of this petroleum refinery on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts, components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada?

5. How many persons will be employed once the new plant is established?

6. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

7. How will the establishment of this business be (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the new plant?

8. What is the significant benefit to Canada of the transaction?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as the Foreign Investment Review Agency is concerned: an investment proposal was made by Wiltron Company of Palo Alto, California to establish a new business in Ottawa, Ontario, under the name of Wiltron Instruments Ltd. The new investment proposal was allowed by the Governor in Council on April 27, 1976 (P.C. 1976-952). All information with respect to a person, business or proposed business obtained in the course of the administration of the Foreign Investment Review Act is privileged and may not be released except as provided for in Section 14 of that act.

NEW INVESTMENT PROPOSAL

Question No. 5,459—**Mr. Nystrom:**

1. Was a new investment proposal made by Wellman Engineering Corporation Ltd. of London, England to establish a new foundry in Saint John, New Brunswick for the manufacture of nickel-chromium alloy castings and, if so, what is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

2. Who are the principal shareholders of Wellman Engineering Corporation Ltd.?

3. Does Wellman Engineering Corporation Ltd. control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by percent of control and value?

4. What will be the effect of the establishment of this petroleum refinery on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts, components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada?

5. How many persons will be employed once the new plant is established?

6. What is the degree and significance of participation by Canadians in the business enterprise or new business and in any industry or industries in Canada of which the business enterprise or new business forms or will form?

7. How will the establishment of this business be (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the new plant?

8. What is the significant benefit to Canada of the transaction?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as the Foreign Investment Review Agency is concerned: an investment proposal was made by Wellman Engineering Corporation Ltd. to establish a new foundry in Saint John, New Brunswick. The new investment proposal was deemed to be allowed on April 27, 1976 by the Governor in Council. All information with respect to a person, business or proposed business obtained in the course of the administration of the Foreign Investment Review Act is privileged and may not be released except as provided for in Section 14 of that act.

NEW INVESTMENT PROPOSAL

Question No. 5,460—**Mr. Nystrom:**

1. Was a new investment proposal made by Pinacle, S.A. of Luxembourg, to establish a new business in Montreal, Quebec, under the name Pinacle Leisure Group Limited/Cercle de Loisirs Pinacle Ltée, a deluxe restaurant facility and, if so, what is the total and/or per share price of the transaction, including the value of share transfers or other considerations?

2. Who are the principal shareholders of Pinacle, S.A. of Luxembourg?

3. Does Pinacle, S.A. of Luxembourg control and/or partially own, directly or indirectly, any other businesses in Canada and, if so, in each case, what are the holdings by percent of control and value?

4. What will be the effect of the establishment of this petroleum refinery on (a) the level and nature of economic activity in Canada (b) resource processing in Canada (c) utilization of parts, components, materials and services produced in Canada (d) exports from Canada (e) productivity, industrial efficiency, technological development, product innovation and product variety in Canada (f) competition within any industry or industries in Canada?

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7. How will the establishment of this business be (a) compatible (b) incompatible with national industrial and economic policies, taking into consideration industrial and economic policy objectives of any province likely to be affected by the new plant?

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Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as the Foreign Investment Review Agency is concerned: an investment proposal was made by Pinacle, S.A. of Luxembourg to establish a new business in Montreal, Quebec under the name of Pinacle Leisure Group Limited/Cercle de Loisirs Pinacle Ltée. The new investment proposal was allowed by the Governor in Council on April 27, 1976 (P.C.

1976-951). All information with respect to a person, business or proposed business obtained in the course of the administration of the Foreign Investment Review Act is privileged and may not be released except as provided for in Section 14 of that act.

[*English*]

Mr. Speaker: Under "Motions" it may be noted, in case my voice was not heard clearly, that there were two motions called, one in the name of the hon. member for Labelle (Mr. Dupras) and the other in the name of the hon. member for Saint-Henri (Mr. Loiselle), both of which will stand.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed, from Wednesday, May 19, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Marke Raines (Burnaby-Seymour): Mr. Speaker, I have felt somewhat like Alice in Wonderland these past few weeks, listening to the debates in the House of Commons. The cry has been "Off with his head", as if that would magically solve our problems. Such a simple solution, so cavalier!

This is an awesome responsibility that we face, Mr. Speaker, and we have a duty to think things through for ourselves. You may remember, in the play "Caesar and Cleopatra," that Caesar says:

To the end of history, murder shall breed murder, always in the name of right and honour and peace, until the gods are tired of blood, and create a race that can understand.

Understanding is the key. Murder does breed murder, and violence does breed violence. These people on death row are the product of our society; and if these people have failed, our society in a measure has failed as well. Therefore, we must examine our society and discover the circumstances that led people to commit murder and other crimes, and then let us try to eliminate the causes.

I do not think we can set ourselves up to judge our fellow man so harshly that we say to anyone that they are not fit to live. If we condemn these people to death, we are telling them that there is no hope for them in this world. And who are we to take away hope? When we take away hope for them, we take away the sense of hope for us all. How do we know but that through some ironic twist of circumstance we ourselves could end up on death row, as could someone we know or love? How truly awful to be told that there is no hope for them, that they are beyond redemption. I think we had better not be too self-righteous

and complacent. I think we should remind ourselves that "There but for the grace of God, go I".

I am pleased to note that all the major churches and religions are in favour of abolition of the death penalty, as are the criminologists and humanitarians. While these people may not form the majority opinion, they can take comfort from something Adlai Stevenson once said. He said that all progress has resulted from people who took unpopular positions.

As for this entire question of public opinion, it can be easily manipulated by the media and by pressure groups. We who have the personal responsibility to vote on the hanging bill cannot in conscience, simply rely on the latest poll to make our decision for us. When I sent out my own questionnaire in Burnaby-Seymour on the issue of capital punishment, only 4 per cent of the people answered the survey, most of them favouring capital punishment. One could also note that 96 per cent of the people of that riding left the decision to me. Meanwhile, the government is bringing in Bill C-83, which will introduce stronger measures to protect society.

● (1510)

There are those who believe capital punishment is a deterrent. According to the statistics, it is not. The lowest murder rates in the world are found in countries where capital punishment has been abolished: for example, Sweden, and in the American states of Minnesota, Wisconsin, Rhode Island and Maine. On the other hand, some of the highest murder rates are found where capital punishment is, or was, in force until recently: for instance, in France, Spain, Florida, Georgia, South Carolina and Louisiana.

The unhappy statistics of murder also disclose that most killings are the result of domestic quarrels or love triangles, crimes of passion. In Canada, for example, in a 13-year period ending in 1974 there were 4,500 murders and only 559 took place during the commission of a criminal act.

Given, then, the sudden, unplanned nature of most homicides, it appears highly unlikely that most people who commit murder take into account the threat of capital punishment before carrying out that act. In the case of criminals, they know full well that the police carry weapons, and even the danger of on-the-spot capital punishment does not serve as a deterrent. As for the argument that the cost of keeping prisoners is a financial burden to the taxpayers, I find that a ridiculous and cynical argument. One might as well argue against the high cost of trials and appeals. This argument also ignores the fact that inmates do work in prison and are paid wages lower than scale.

I believe that instead of wasting time and dwelling on this gruesome subject, debating whether or not we are going to hang those few people who are already sweating it out on death row, we should busy ourselves with examining our society and improving it. We must ask these questions of ourselves: What is there in our society that drives people to violence? Our figures show that most murders are domestic. It is probably true that, as Thoreau said, "Most men live lives of quiet desperation", but why is that so? Is it too difficult in our society today to raise a happy family? Is it too difficult in this affluent country just to

make a living? Are we goaded beyond our means by the commercialism of our age? Are we teased into wanting too much? Has the crassness of the market place already placed necessities beyond the reach of many people?

Many people today are concerned about the violence, the negativism and the crime depicted in the media. I wonder, too, where are the stories of real heroes that might inspire us to new heights of achievement, such as George Washington Carver, Florence Nightingale, Wilberforce, John Stuart Mill, Mahatma Gandhi, Einstein and Schweitzer? Where are the best from other countries? We have had so much blather in the media about capital punishment and the grisly details of crime that one wonders where is the emphasis on the art of living. As Carl Jung wrote, "The art of living is the rarest and most distinguished of all the arts . . . Whoever succeeded in draining the whole cup with grace?"

Our aim should be an ideal society. You may remember Schiller writing "Only the ideal can bring humans to unity. And the ideal has as its foundation . . . knowledge". We must have the courage and honesty to look at our society critically and see where it is wanting. We could look to the happy, healthy societies in the world and see how they are achieving this. We could ask ourselves, what are our goals?

I hope this parliament, in a free vote, will vote with hope, with mercy and with confidence that we can abolish forever the barbaric custom of capital punishment. Surely, in this space age, when we have landed men on the moon and have seen miracles in so many fields of human endeavour, we do not have to retain such a medieval practice. I think it has no place in a civilized society.

As a matter of interest, I want to quote something Eugene Debs once said to a judge:

> Your Honour, years ago I recognized my kinship with all living beings . . . and I made up my mind that I was not one bit better than the meanest of the earth. I said then and I say now . . . that while there is a lower class, I am in it . . . while there is a criminal element, I am of it . . . while there is a soul in prison, I am not free—

For more than ten years parliament has been poised on the edge of full abolition. Once again the House of Commons has the opportunity to abolish a practice which deprives society of any means to rectify its mistakes; a practice which is abhorrent and which adds the suffering of innocent family members to that of the guilty.

I suggest we vote on this bill with hope for life, not hopelessness with death. I suggest we vote with confidence that we can look critically at our society and see where it is wanting and, hopefully, find our way in changing that society. If our society is indeed leading to crime, there is something very wrong with it. For our own good we must come to grips with the problem. The answer does not lie in hanging a few people to show how tough we are. Unless we come to grips honestly with the problem, I fear that, as Caesar says in the play:

> To the end of history, murder shall breed murder . . . always in the name of right and honour and peace, until the gods are tired of blood, and create a race that can understand.

Thank you, Mr. Speaker.

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, I want to begin by saying that my remarks during this very important debate will outline essentially my own personal views. I do, however, acknowledge with deep appreciation and thanks the heavy volume of mail I have received on the combined issue of capital punishment and peace and security. I have received the heaviest mail ever in my 3½ years in this House on these two issues.

During the current debate, about 350 individuals have let me know about their feelings on this combined issue, and none of this group is from outside my own constituency of Medicine Hat. These constituency views were contained mostly in personal letters and unsolicited petitions. I did not conduct any formal or informal poll or survey as I did on the previous capital punishment debate in 1973. I freely acknowledge that the greater number of letters dealt with the companion bill on peace and security, Bill C-83. I say this now because I was one of approximately 27 members of this House who was unable to participate in that debate because of the government's closure action.

The ratio in support of the retention of capital punishment in my constituency mail was 17 to 1. After reviewing all these constituency letters, I have decided that in addition to some very blunt comments about the specific issue, there is another, deeper and more serious message—between the lines, if you like; but it is there and it cannot be ignored. That message is one of widespread concern over the state of our nation's apparent attitudes pertaining to law and order. There is deep concern that our respect for law and order and morality has sunk to an all-time low.

These letters make it very clear that the underlying reason for a resurgence in the call for capital punishment is this deep concern over law and order in Canada today. Out of sheer desperation and concern, Canadians are saying that something must be done, that nothing has been done by this government to recognize and abate this obvious trend to national lawlessness, and a growing philosophy in the belief that maybe—just maybe—crime does pay.

Whether we agree that capital punishment can be a meaningful deterrent, my constituents are saying that until something better comes along as a deterrent, we had better bring back, in fact, capital punishment. To those of you who say that the necessary deterrence essential for proper law and order will be provided by this bill and its companion, Bill C-83, I say, very simply, it is three years too late. This government had the opportunity to do something at the time of the last capital punishment debate three years ago with respect to meaningful deterrence. The signs of social concern were plainly evident then, although not as pronounced as now. I was personally concerned about those signs and spoke of them in my first election campaign in 1972. The government's stand-pat attitude in 1973 has been an open invitation to increased crime and violence ever since.

● (1520)

What I have been saying was also expressed much more eloquently by my hon. colleague from Edmonton-Strathcona (Mr. Roche) in his very thought-provoking speech in this debate as recorded on page 13219 of *Hansard* for May 5. I commend it to all members of this House and, indeed, to all Canadians at this time. He was so right when he pointed out that "Canada is not yet ready for total abolition" because the current climate for total abolition is

wrong. We should read again and again his statement as follows:

> I cannot isolate the principle of abolition from real conditions in our country. The reality is that it is better to keep capital punishment in limited cases than to rush total abolition and diminish respect for the law... And even be prepared to preserve an inferior type of law if necessary.

There is deep concern and infuriation over the package concept of these companion bills on peace and security and capital punishment. The good features of Bill C-83, and there are certainly some, are being deliberately overlooked because of the feeling we are being bribed and coerced into accepting the total package. Suffice it to say that the two bills that make up this package amend old legislation and mix new legislation with it, in the package concept—a situation that simply invites controversy both in our debates in the House and especially at the committee stage.

Also, part of that package is the new use of the term "free vote" in this House. It is difficult to understand the rationale of the Prime Minister (Mr. Trudeau) and the Solicitor General (Mr. Allmand) in their repeated statements that our vote on this bill will be a free vote but that the cabinet will support the bill. For sheer double-talk and hypocrisy we should read again the Prime Minister's response to his own party member from Vancouver-Kingsway when she asked: "Will the free vote on Bill C-84 be free to the cabinet?" The Prime Minister's response was: "Mr. Speaker, a freer group of men and women still has to be found in Canada".

The rationale behind this free vote approach must surely relate to the fact that cabinet has been breaking the law every time it fails to carry out a court's decision calling for capital punishment by abusing its prerogative to grant commutation and is now taking the expedient course of changing the law that still has another year to run. Of course, this change is to be made well before the 1978 election, in the hope that the public will have forgotten these manipulations by then. I acknowledged at the beginning of these comments that my constituency mail on this issue has been very enlightening and rewarding to me, personally. In order to illustrate these "messages between the lines" in these letters from home, I would like to quote a few succinct phrases and statements from some of the mail. From Medicine Hat:

> Our governments, federally and provincially, have been handing out lollipops to criminals convicted of major crimes and are now reaping the harvest.

From a rural clergyman in southern Alberta:

> The government seems to be relying excessively on prisons, more and more of them. If hanging be not a deterrent, neither is imprisonment. Our prison system is almost universally acknowledged a failure and yet we are rapidly expanding it... The whole approach is topsy-turvy. It is like combating lung cancer by doing nothing except removing diseased lungs. How much better it is to get people not to smoke. It may be difficult to persuade them, and some will not listen, but the effort must be made. The federal government seems to do very little to persuade people to avoid contracting the cancer of crime.

From Cardston, Alberta:

> Omnibus bills are a tool of government whereby members may be pressured into supporting "package" legislation, almost inevitably compromising their position on at least part of the package.

From Bow Island, Alberta:

> Further, I would urge that all people receiving a jail sentence should be required to produce or work to pay for the expenses incurred.

From Turin, Alberta:

> An honest man has nothing to fear about capital punishment.

As a layman in matters relating to religion, but as one who considers himself a practical Christian, firmly believing in the moral and spiritual rights of each of us as individuals, I continue to be amazed, and indeed sometimes confused, about two features of this aspect of the debate. First, the frequent and very genuine references to the Bible in support of either side of this emotional debate. There are literally dozens of quotes available for this purpose. Most of the retentionist quotes are from the Old Testament, while the abolitionist support is from the New Testament. Second, I have the feeling that most abolitionists seem to assume that we retentionists cannot possibly be following the exercise of our personal conscience, whereas abolitionists are truly following their own personal conscience.

I know I will have to disagree with many of my close personal friends, and even relatives, on this issue. While I am pleased, and even obligated, to hear the views of all my constituents where possible, I do not in any way attempt to persuade others to agree with me. I have been known to try to convince others of my viewpoint on other issues, such as our national beef cattle situation, or our local Suffield issue in Medicine Hat—but not on this one. My personal decision on this capital punishment bill will be the most serious, soul-searching decision I have ever been called on to make as a member of this House.

Before leaving this portion of my comments, it seems appropriate to express the feeling that surely it is time for the CBC to cease using that background picture of the hangman's noose on the national TV news when a government news item appears on capital punishment. I am certain I have support for this from other members. I certainly have it from my constituents' letters. Of the many references that all members of parliament have received, I wish to quote briefly from only two. The first is from the Pentecostal Assemblies of Canada, with reference to the Solicitor General's view on deterrence:

> What the Solicitor General says may be true of some irrational people. But we believe that capital punishment by due process of law, for calculated premeditated murder by any rational person, does have a deterrent.

There is a further quotation from the Pentecostal group:

● (1530)

> We believe also, in principle, that the use of executive clemency by governor in council was a bad practice because, in effect, it made the cabinet rehear the case, and for all practical purposes, constitute another court.

The second author I wish to quote is Dr. Fattah, from Simon Fraser University, who predicts the practical results that could follow the implementation of Bill C-84 if the bill passes. I will paraphrase his suggestions. He states that, first, a considerable number of cases of first-degree murder will be reduced to second-degree. Second, acquittal rates in cases of first-degree murder will be very high, and third, a large number of first-degree murder cases will end with the jury handing out a verdict of not guilty by reason of

insanity. Finally, I should like to quote the following statement of Dr. Fattah:

> I still remember back in January of 1973, when Marcel Prud'homme, MP for Montreal, Saint-Denis, and James Fleming, MP for York West, suggested that the government bill be amended to imprison killers for a minimum of 25 years. Solicitor General Allmand and other members of the cabinet were the first to declare their opposition. It is disconcerting and disenchanting to see the government, after only three years, adopt the same retrogressive suggestion it once condemned.

I can only add that I can certainly associate myself with these appropriate quotations. In my opening comments I made reference to our concern for the lack of respect for law and order in our society today. Those of us in the Medicine Hat-Redcliff community, including the immediate rural area, have a very special reason to be concerned.

I want to refer very briefly to a terrible tragedy that occurred on August 22, 1974, when a young, 17-year old service station employee was brutally murdered while on duty during the late night hours. Three young hitchhikers robbed the service station of $123.60 and in the process murdered the young attendant by using a mechanic's hammer in a brutal fashion. No firearms were used, but drugs and alcohol were definitely involved. Two of the three young criminals were also involved in an earlier murder in the St. Catharines area that had been committed prior to the Medicine Hat tragedy. Again, no firearms were involved.

I am sure that our Medicine Hat citizens are still asking themselves, "Do we need to have tragedies like this to establish the need for comprehensive and practical law and order guidelines?" As Canadians we have become overly complacent about crime, especially so-called petty crimes. Why should we have to have almost nightly break-ins and robberies in a small city such as Medicine Hat, sometimes as many as eight or ten in a single night? It has been suggested that perhaps many of us no longer believe in evil, only in error or accident. Why are most, if not all, of the current polls so heavily in favour of the retention of capital punishment? Surely it has to be because of this very state of lawlessness in our Canadian society about which I am so concerned.

I should like to conclude by drawing the attention of the House to the sentiments expressed by my colleague, the hon. member for York-Simcoe (Mr. Stevens), when he received one of the biggest responses for a one-liner at our recent leadership convention, which is as follows:

> Imagine a Canada in which justice reflects the realities of the public will. Whose rights need the greater protection, the criminals' or their victims?
>
> The rights of the victims of crime must be paramount in our system.

In the final analysis, Mr. Speaker, I cannot support this bill to abolish capital punishment in Canada.

Mr. Joe Flynn (Kitchener): Mr. Speaker, thank you for the opportunity this afternoon to speak in this debate. The issue being debated this afternoon is more involved than the isolated decision to retain or to abolish capital punishment. Canada still has to face a whole complex of questions about the reform of corrections, parole and rehabilitation. The bill that is now before us in parliament to extend the suspension of the death penalty treats, in an isolated way, a problem which is connected with these many other problems.

I come from an almost completely God-loving community; I have listened to and read what my constituents have to say, and I think that they have said many things. But, most importantly, they have in some way repeated what has been stated by many of our church authorities. I would like to convey to you the statement of Bishop W. E. Power, president of the Canadian Catholic Conference, who says:

> We consider it an illegitimate use of the Bible, especially the Old Testament, to quote texts in order to argue, in our time, for the retention of the death penalty. Each biblical text supporting the death penalty must be studied in the light of its historical context, and not simply applied to present-day Canada. Furthermore, each such Old Testament text must be weighed against many passages in the New Testament where Jesus constantly rejects the normal human tendency to redress injury by injury and calls instead for generosity. He established the norm that violence and hostility are not corrected by countermeasures of violence and hostility.

I have listened to many hon. members, both the retentionists and abolitionists, and I am convinced that nothing new has been said to change my mind in any way. The question of the death penalty ought not to focus on whether a convicted murderer, no matter how wanton, deserves to die. The focus should be on us: Should Canadians, as a community, try to break the escalating spiral of violence by refraining from violence, the same violence that some profess will serve as a deterrent? The Canadian Catholic Conference goes on to say:

> To a Christian, whose starting point is reverence for the sanctity of life, the death penalty can surely be only a desperate resort. A Christian must be utterly convinced of its social necessity before supporting it. Our society, it is true, has traditionally exacted the death penalty. But this ought not to mean, as it often seems, that those who favour suspension must bear the burden of proof. On the contrary, those who favour retention should be required to convince a Christian of its necessity.

I would hope, Mr. Speaker, along with many others, that we would investigate further and establish research committees to make an exhaustive study of all the ramifications of this complex problem and then publish these reports within a specified period. As one who three weeks after he was elected witnessed a murder, a shooting of three innocent people, and as one who held the body of the murdered man in his arms, I realized that I was a firm believer in the reverence and the sanctity of life.

● (1540)

I am rather inclined to agree with our Solicitor General (Mr. Allmand) who said that capital punishment is not only ineffective but also immoral, and who listed the following alternatives which I feel are worth repeating here. There should be better trained, better deployed and better equipped policemen; effective gun control; proactive, rather than reactive, police work; more effective correctional programs for juveniles and adults; more effective social and economic programs to remove the causes of crime; improved treatment for alcoholics and drug addicts; improved education and recreation programs; possible restrictions on the showing of violence on television and through other media; and measures to promote respect for legitimate authority in the home, the school, the church, community associations, and government.

I think we had better return to family life basics and to the great respect which some of our ethnic communities demonstrate toward family life and toward the reverence

for the sanctity of life. I think we must return to the three "R's—Reverence, Respect" and, most importantly, the "Right to Life."

Thank you, Mr. Speaker, for the opportunity to participate in this very profound debate. I am inclined to agree with our Solicitor General and our government that if these and other measures I have mentioned were pursued with more vigour, we would do much more to lower our crime rate than if we merely emphasized the application of harsh penalties after the fact.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I wish to point out to the House that this is a completely needless debate. There is legislation on the statute books at this very moment which will not expire for another three or four years. I can see no reason whatever for having this debate today. An experiment is in progress. When we voted the last time, we were told that an experiment was to take place. The government has prejudged the outcome of this experiment and has decided, in its own wisdom, that the experiment was a failure, and we are being asked to write off the experiment and abolish the death penalty. This is a needless debate. Never in my life have I seen anything more needless than this particular piece of legislation.

Mr. MacFarlane: Why speak on it, then?

Mr. Munro (Esquimalt-Saanich): I am speaking on it because it needs to be drawn to the attention of the public that it is needless. It is a diversion to take the minds of the public off the serious things which are going on in this country and the failure of this government to deal with our economic problems.

Some hon. Members: Hear, hear!

Mr. Munro (Esquimalt-Saanich): How can this government trot out data and conclusions, which is done through the auspices of a pet professor of the government by the name of Fattah, to prove that the experiment has been a failure? It is presumptuous on the part of the government, and on top of that, it is very unscientific. Therefore, I conclude that this is a needless debate. It is diversionary, bearing in mind the legislation which is already on the books, and it is meant to draw attention away from the economic ills which beset this country and to lull those who are really concerned about the failure of law and order in this country, for which this government must take a very large responsibility, and particularly those who are living alone on fixed incomes and who are worried about the economic problems. It is a complete fraud.

It is a cynical misuse of the time of this House to suggest that we must approve this bill before we are allowed out of this House at the end of next month. Are we going to accept that sort of blackmail? That is what it is. There is legislation on the books now. Why should we be subjected to blackmail at this particular time? Why now? Why the rush? Why this bill?

Not for one minute do I believe that this government, which is bringing forward this needless legislation and trying to rush it through, is motivated in this effort by any of the stirrings of philosophic concern for human beings. The motivations of this government are entirely cynical in this as in many other of its activities. Why now? Why the rush? Why do we have to pass this bill before the end of June, when there is legislation already on the books? It is just to obscure the economic problems besetting this country. It is just to obfuscate.

If there were any true and purely philosophical motivations, why should the government not be concerned about the law-abiding and those who respect the law, rather than pretending that it is moved by the poor, unfortunate, misguided criminal?

If such, indeed, is the motivation of the government, why does it delay so long in sorting out the good from the bad; the recoverable from those who cannot be rehabilitated amongst inmates? This is where the problem lies. This is where the Solicitor General (Mr. Allmand) should be directing his attention—not to wasting the time of this House on needless legislation such as the legislation he has brought forward. Why allow the prisoners in this country to convert prisons into post-graduate institutions where inmates can be instructed on how to beat the law? That is what our prisons have been turned into. Prisoners learn how to pick locks, how to make ice picks and how to hold hostages. Young offenders, through some error, have landed up in some of our penal institutions and are being faced with this sort of deadbeat, the inmate who cannot be rehabilitated. Once the young offender has lapsed once and gets into the hands of those old cons, he is finished; he becomes a criminal for life. This is where rehabilitation should take place.

This bill is not only a needless bit of legislation, but it is bad, bad, and I intend to vote against it. There are certain special aspects to this legislation, however, with which I would like to deal. I could start on page 1 of the bill and go through it seriatim, page by page, but I am going to confine myself to two or three aspects. I would like to deal with the proposal of this government to remove treason as one of the crimes punishable by death. The Encyclopedia Britannica talks of treason in this way:

> The law which punishes treason is a necessary consequence of the idea of a state and is essential to the existence of the state.

If there is no law protecting the state against treason, I submit our state is in trouble. In Roman law, the crime of treason was next in gravity to sacrilege, and if it was so serious, and if it is so serious—and I think it is—should it not be punishable by the ultimate penalty? Since by custom and tradition cases of treason are justiciable by special processes, the seriousness of the felony is amply marked. It is a serious crime, and in clause 2 the government proposes to dispose of it and consider that anyone who has committed treason will be subject to life imprisonment rather than the ultimate penalty.

● (1550)

I find it inexplicable that the government should seek to eliminate the death penalty for treason, whether it be against a head of state, a monarch, a sovereign or the forcible overthrow of government. If there is no deterrent to forestall treasonable acts—that is, attacks on our institutions with the object of destroying them—then what motivation is there to make us want to defend those institutions? This is the problem that this government has not faced.

Some hon. Members: Hear, hear!

Mr. Munro (Esquimalt-Saanich): Surely these concepts mirror one another: the existence of one determining the existence of the other, just as the absence of a deterrent predetermines the absence of motivation. If I do not hold dear my democratic institutions, be they persons or functional organizations, such as the one in which I proudly speak today and condemn to the ultimate penalty anyone who ventures to deprive me of them, how can I be expected to defend those same institutions with my life, as many of us in this House did 30 and more years ago?

What sort of mentality can draft such legislation? Perhaps I should ask: What sort of mentality can insist that such legislation be drafted? I am not blaming the drafters, but those who instruct the drafters to put this sort of legislation before us. Is no one on that side of the House who supports this bill prepared to defend with his life those very institutions in which we are permitted to discuss this matter freely and openly? Well, I am. Is everyone prepared to tolerate the violent overthrow of those institutions without lifting a finger? Well, I'm not. The death penalty should certainly be imposed upon those who commit treason against the head of state, against those who wage war against this country or assist others in doing so, or who use force—

Some hon. Members: Hear, hear!

Mr. Munro (Esquimalt-Saanich): —to overthrow the government, or who commit any other of the incidental treasonable acts outlined in sections 46 and 47 of the Criminal Code. If we remove that ultimate penalty, Mr. Speaker, we will have filleted our nation—we will have removed its backbone and removed from our citizens the will to stand up and defend our way of life when it is threatened. Is that what this government wants? I sometimes think they do.

An hon. Member: Oh, come on.

An hon. Member: Sit down.

Mr. Munro (Esquimalt-Saanich): Is that what the people of Canada want? I do not think it is. If our democratic system and its institutions are not worth the life of someone who attacks them, they can hardly be worth my life to defend them. Then where are we? Is that the message this government is seeking to get across to the nation through this bill? That is what it looks like to me.

This notion should not be pushed aside as if such things could not happen here. They have happened in other states and I, for one, am not prepared to let them happen here. I hope I am not alone.

An hon. Member: You are.

Mr. Munro (Esquimalt-Saanich): Someone said I am alone. I am alone. I shall have to stand up and defend this by myself? Shame on anyone who should say such a thing. Let me remind hon. members—

Mr. Cafik: Mr. Speaker, on a point of order—

Capital Punishment

The Acting Speaker (Mr. Turner): The hon. member for Ontario (Mr. Cafik) on a point of order.

Mr. Munro (Esquimalt-Saanich): If the cap fits, he can put it on.

Mr. Cafik: Mr. Speaker, I am not rising on a point of order, but I should like to know if the hon. member would permit a question at this time?

Mr. Munro (Esquimalt-Saanich): When I have finished my speech. The cap, quite obviously, fits.

An hon. Member: When you get Cafik, you are really hitting home.

Mr. Munro (Esquimalt-Saanich): All it would take is for a head of government to assert the right of both making and insisting on enforcing the law, as Blackstone has said; whereas we, here, insist upon a clear division between the legislative and executive branches of government. When the same authority both makes and enforces the law, we are in real trouble. That is how simple it would be, Mr. Speaker. Are hon. members prepared to let that happen without lifting a finger? Well, I'm not.

I sometimes wonder whether members on the other side have even read this bill. They have been talking about the noose and all that sort of stuff that gets people worked up emotionally. I am not talking about the noose. I am talking about the death penalty—the penalty of death for doing something very, very seriously wrong, like treason. I do not care how the execution takes place, but there are crimes which deserve that sort of penalty, and I think treason is one of them. I recommend to members on that side of the House that they read clauses 2 and 3 of this bill. Then, if they are prepared to move some amendments, I will have another look at it.

Has everyone on that side of the House who supports this bill so little commitment to our traditional, democratic way of governing ourselves that he is prepared to stand by and watch any petty tyrant or demagogue come along and assume all legislative and executive powers of government without protest? That is fine if he is, but I'm not. This bill, Mr. Speaker, proposes wrong law—law that I certainly am not able to justify or to explain. I shall therefore oppose it.

Clause 3 is equally wrong—piracy, presumably including the hijacking of people and aircraft. Where there is loss of life, the punishment would be life imprisonment. Under the terms of Bill C-83 which is now before the committee, that would mean a term of something like 15 years. Never, Mr. Speaker! Piracy is a serious act. At the weekend we heard what happened in the Philippines when an aircraft was hijacked. Are we just going to say, "You should not do that; you had better go to prison?" In light of the experience of the last two or three years, how can we say that people will stay in prison and not be paroled after 15 years? For piracy to be expunged as a crime liable to the death penalty is completely beyond the realm of reason. Piracy is piracy and if a life is lost, death is the obvious and only penalty.

The same should be true of kidnapping when a life is lost, Mr. Speaker. That would include rape, bearing in mind the Latin origin of the word. It means "taking away", "taking off", "carrying away". If, in the course of that act

of assault, there is a loss of life, to my mind it should be punishable by death. The French term for "rape" is so much more accurate—"le viol". It is "a violation". Our word "rape" is completely misleading in this context. I say that kidnapping, including capture and forcible holding of a female in the course of which the death of the victim occurs, also deserves the death penalty.

Section 214 of the Criminal Code is the focus of much attention in the present debate. It concerns the penalty for killing a policeman or prison guard. A colleague, I think with good cause, has proposed that we should amend this bill by inserting a provision to this effect: if a man convicted of a capital offence should, during a fracas in prison or during an attempt to escape, say, cause the death of a prison guard or policeman, the death penalty should become operative, but only then.

● (1600)

In other words, the death penalty would apply to a person who, having been convicted of first degree murder which would be punishable by life imprisonment, tries to break out, let us say, and causes the death of a policeman or prison guard. That provision would be a deterrent. The hon. member is to be commended for bringing forward the point. I say, let us include it in the bill. But I see no reason to remove the death penalty entirely. Leave it for those cases to which it now applies and for the additional ones suggested, because some people attempting to break out or to create a disturbance may not be in prison for the crime of first-degree murder. I would prefer to see sections 218(1) to (4) remain on the statute books as they are. They should not be considered as experimental provisions but as formal points of our law.

I have not dealt with the other proposed sections which redefine murder as first and second-degree murder; one of those offences would be punishable by a long sentence of imprisonment, with provision for parole after a certain period of sentence has elapsed. I suggest, as I suggested at the beginning, that this legislation is wrong. It is diversionary. There is no need for it at present. We are being asked to spend time considering this legislation rather than considering important economic questions which confront our elderly and those on fixed incomes. By acting in this fashion, the government is being dishonest with parliament and the Canadian people.

I propose to stand up when the time comes and vote against the bill. As far as I am concerned, the time need not come before the end of June. The bill could be voted on at any time in the next three years. There is no need at all to vote on the bill now.

Mr. Stollery: Why three years from now?

Mr. Munro (Esquimalt-Saanich): Three years from now, when the experiment is over.

Mr. Stollery: It has been over for years.

Mr. Munro (Esquimalt-Saanich): Do not prejudge the experiment, and do not hire "pet" professors to prove the experiment has failed, in an attempt to convince the Canadian people. They are not convinced. They are convinced to the contrary.

[Mr. Munro (Esquimalt-Saanich).]

Mr. Alexander: They are convinced that it is high time to get rid of this government.

Mr. Munro (Esquimalt-Saanich): That is right. By bringing forward this legislation, the government is going about that in the right way. It is my feeling that by bringing forward this phoney, untimely, needless legislation, the government is doing the right thing to defeat itself. I propose to oppose this bill when the vote comes.

Mr. Cafik: Mr. Speaker, will the hon. member accept a question or two?

Mr. Munro (Esquimalt-Saanich): Yes, Mr. Speaker.

Mr. Cafik: Mr. Speaker, I am concerned about a point the hon. member raised in the latter part of his speech. He suggested, or seemed to think, that only members on my side of the House will vote in favour of this legislation. I ask him if he is not aware that there is to be a free vote on it, and that members on all sides of the House will be free to vote either for or against this bill?

My second point concerns a remark he made in the early part of his speech. He talked about the proper motivation on the part of those who would support this bill. I ask if he does not feel that a presumption of good will and proper motivation on both sides of the argument is necessary, indeed essential, if the subject matter we are considering is to be debated intelligently? When the hon. member attacks people individually and collectively and does not deal with the substantive issue before this House, it is difficult for anyone listening to the style and manner of his speech to consider this subject objectively.

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, if I may answer the first question concerning the free vote, it is apparent to me, if not to the hon. member, that there is to be a free vote on my side of the House. But when members of the government say, "I may have to resign," meaning if the bill is defeated, I do not feel that there is to be a free vote opposite.

Some hon. Members: Oh, oh!

Mr. Munro (Esquimalt-Saanich): As for motivation and good will, I accuse no individual. I was speaking generally. I think the question of motivation ought to be considered in light of the law now on the statute books. I made it clear that the experimental period has not elapsed. We are entitled to wonder why, when the experimental period for retention has not expired, the government should decide now, a few weeks before the summer recess, to "blackmail" us. That is the appropriate word. Why should it blackmail us to carry on this debate when there are other more important matters we ought to debate.

[*Translation*]

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): Mr. Speaker, may I say at the beginning of my remarks, concerning capital punishment that I respect the opinion of those supporting the bill.

My comments will be very brief. The society has rights, for instance the right to protect itself against those willing to destroy it or destroy some individuals who are part of it. I would like to stress that I used the word "protect" and

not "revenge". In this bill, I see nothing indicating convincingly that by abolishing capital punishment we could, with the sentence increased to 25 years of imprisonment, prevent some individuals from committing one or several murders. On the contrary, extending the penalty to 25 years' imprisonment clearly indicates that the offence must be related to the punishment, in the minds of those who have drafted this legislation.

● (1610)

Many references have been made to rehabilitation during this debate especially in relation to crime offenders. I would like to emphasize, Mr. Speaker, that as long as all segments of our society do not feel protected by a just and fair law, there cannot be rehabilitation. This means changes in our social structure, better administration of justice, specialized prevention training for police forces and jail wardens, a review of parole and a rehabilitation plan for those who can still be reclaimed. I must also mention a compensation plan for victims, a review of appeal procedure against the death sentence, whenever the jury has recommended leniency. I suggest, Mr. Speaker, that the final ruling should be heard, not in the way it is done in Cabinet, but before three Supreme Court justices.

I would like to point out that the best way to reduce crime and have an adequate penal system is certainly to increase the opportunity for the guilty party to be brought to court and sentenced to a penalty which includes capital punishment for premeditated murder. For those reasons, Mr. Speaker, having stated I would be brief, I shall only repeat very clearly that I intend to vote against this bill, that is for the retention of capital punishment for premeditated murder.

Mr. Gaston Clermont (Gatineau): Mr. Speaker, the subject matter of the bill before us was considered in 1961, 1966, 1967, and 1973. Each time it was lengthily and strongly debated, and those who participated expressed contradictory opinions and, until now, we are continuing the same experience because the matter is very controversial.

At any stage of the voting, each member will have to take his responsibilities, for this is a free vote, whatever may think some members of the official opposition. Such particularity implies that the member has an individual role to play and that the line of the party gives way to the voice of the conscience and to the constituents' interest, that is to say that the member votes according to his own assessment of the matter.

First, it is important to place the debate in its general contemporary context. We must above all forget the out-of-date concepts of the death penalty and consider the problem in the light of present perspectives. First of all, it is essential to abandon the ancient law of retaliation, retribution of an eye for an eye through vengeful punishment.

Ideas, customs and needs of the criminal policy have been changing with time. The problem must therefore be approached in a state of mind adapted to the circumstances of our times. It is not useless, therefore, to recall that Canadian criminal law has made substantial progress in this regard. Is there need to point out some effects of the 1961 act in this field? Since that time, capital punishment has been eliminated for many categories of murders, and remains applicable only in the case of qualified murder, and even then the jury may recommend clemency or leniency if they feel this is warranted by the circumstances. Moreover, the 1961 legislation provides for an automatic revision of the case by an appeal court, particularly with regard to questions of law, propriety of procedure and facts. The convicted person is thus given the right to appeal to the Supreme Court. Whether the murderer is rich or poor, his or her case can thus be brought before the highest tribunal in the land without prior authorization. Finally, since 1961, no person under 18 can be given a death sentence. It can therefore be said that in this field, Canadian criminal law has become more humane and that the death penalty is practically brought upon particularly odious criminals only.

Our conception of this punishment and its finality has obviously changed. It is now out of question to impose punishment on the criminal without caring about his rehabilitation merely to set a terrifying example for the citizens. Whatever opinion we have on that subject, we all agree that we should render an offender harmless through reform. Everytime it is possible and not through sheer suppression, everytime circumstances allow it, we must try to rehabilitate the criminal and bring back a social being who can live and be a useful member in society. Having said that, there certainly are convicted criminals who cannot be amended, rehabilitated or socially recuperated and who will finally remain a danger for the community.

It is under that aspect of danger and real necessity that capital punishment must be considered, that is to eliminate once and for all a deadly risk. Capital punishment nowadays should not be considered as a "vindictive torture" but as a "means of defence", an ultimate means to protect the society. It is therefore a matter of social protection by preventing killing and, if necessary, by eliminating beings who are essentially antisocial and a permanent risk for the community. Those who favour abolition of capital punishment put forward various arguments but I want to consider only a few of them.

First, some abolitionists question the state's right to take the life of a citizen. For sure, this debate concerns not only the political concept one may have of the state, but also the religious convictions of every individual. Without starting a philosophical debate, let us say that in Canada nothing takes away such a power from the federal government. Under the constitution, criminal law comes under federal jurisdiction and, furthermore, pursuant to section 91 of the British North America Act, Parliament has the necessary authority to make laws for the maintenance of peace, order and good government of Canada. Thus, the government has not only the power but also the duty to protect the common good and, to that end, it must take all the necessary steps to ensure the security of all citizens and to protect the lives of innocent people.

When the problem is viewed from the angle of the protection of society and the defence of the community, it seems hardly possible to question the right of the state to eliminate dangerous and hopeless individuals once and for all. When dealing with some particularly infamous criminal, does the state not have the right to resort to any measure, if necessary, to the most drastic, in order to protect the rest of society, particularly prison staff and

other inmates? It is also to spare the lives of prison staff, of citizens in general, and possibly of some members of the community in case of an invasion, for example, that the state must, in certain cases, eliminate the individual who is a threat to society. Is it not also under this duty that the state must protect the common good and ensure the security of the country by declaring war at times?

How can we challenge the state's right to take the life of a dangerous criminal when it has the right to demand from the citizens any sacrifice necessary for the protection of society and the defence of the country? The state can compel soldiers to give their lives for the safety of the country. So why could it not, in order to attain an end of the same order, resort to the death penalty? In some cases, the duty to take the life of an individual is no more unethical than the duty to kill in times of war or in cases of self-defence. By the way, the death penalty is the self-defence of society and the protection of its members. Even the Canadian Catholic Conference, that is the Assembly of Catholic Bishops of Canada, in a recent release, in recommending the abolition of capital punishment on humane grounds, recognized the state certain rights in this area, and I quote:

● (1620)

This stand taken by the bishops does not deny the state the right to impose capital punishment if circumstances were to demand it, nor is it intended to bind every Christian in his personal opinion on this subject.

Here is what His Holiness Pope Pius XXII stated in 1952 with respect to the rights of the state in the matter of capital punishment, and I quote:

It is the prerogative of the political power to deprive the convict of the blessing of life in atonement for his sin, when, through his crime, he lost the right to live.

Second, some abolitionists believe that capital punishment does not deter anyone from committing a crime or has hardly a deterrent effect on him, and that life imprisonment is equally effective. In our society, Mr. Speaker, opinions are divided on the deterrent effect of capital punishment on murderers. I do not think one can use statistics in support of an argument. Statistics are subject to various interpretations and are uncertain. It is nearly impossible to make a useful comparison between countries because of the differences in the legal definition of crimes, legal procedures and court practices, methods used to compile crime statistics, morality standards, and finally political and economical and social conditions. Those are data that defy any valid assessment.

Strict enforcement of the death penalty certainly does not prevent the perpetration of all deliberate murders. In fact, murderers rely on their guile to escape either the police or a conviction for lack of sufficient evidence. Hence, the care they take to escape pursuit. Caught in the act they shoot down the policemen who want to arrest them. In the expectation of criminal prosecution, they do not hesitate in some cases to murder witnesses who would lead to their conviction. This is an indication of the terrible fear they have of capital punishment. As a matter of fact, all punishments are exemplary. We do not park our car in a no-parking zone because we fear getting a ticket. If all punishments are designed to intimidate the offender—and they do have this result to a large extent—how in Heavens would capital punishment, the harshest of all, miss its goal?

It is perhaps difficult to establish the relationship between capital punishment and crime. However, obviously the concept of this extreme retribution remains closely related to that of some barbarous and abominable crimes. This severeness of punishment concept has undoubtedly been deep rooted in people's mind for generations, and commonsense dictates that no threat other than that of losing one's life would deter a potential criminal from perpetrating a murder.

Moreover, the Senate and House of Commons Joint Committee on Capital Punishment stated in its 1956 report, and I quote:

The law enforcement authorities consider that capital punishment is an effective deterrent to crime, particularly as it prevents professional criminals from using guns and committing violent offences. Capital punishment protects the police forces in so far as a criminal who wants to escape arrest would fear to a lesser extent the consequences of using firearms or resorting to violence if capital punishment did not exist.

Certainly you will be told that this did not prevent policemen and prison guards from being murdered.

Mr. Speaker, capital punishment no longer exists in Canada since 1962, when a death sentence was executed for the last time in this country. Since the current law on capital punishment went into force, 36 police officers and prison guards were killed. Every death sentence for capital murder has been commuted to life imprisonment by the Cabinet. This in certain cases means less than 15 years imprisonment or waiting for Parliament to decide on this legislation.

The third point I would like to make concerns the danger that an innocent be executed following a judicial errror. This is a possibility, but how very remote and problematical. Very few convincing cases can be referred to, because the fact that someone admits to commiting a crime for which someone else has been punished is not sufficient proof that the latter was innocent.

On the possibility of error, on June 27, 1956, the Commons and Senate Joint Committee on Capital Punishment had this to say, as appears on page 60, paragraph 60, of the White Paper on Capital Punishment, and I quote:

Considerable emphasis was put on the risk of irrevocable error in capital convictions. The fact that there was no known Canadian instance of the execution of an innocent person indicated the effectiveness of present procedures by way of trial and executive review and this suggests that the risk of error does not present a reasonable argument for abolition in Canada.

Mr. Speaker, since that report was published, there has been a reinforcement of safeguards against possible execution of innocent people, through Criminal Code and judicial procedure reforms, which practically eliminated any possibility of an error on facts. The death sentence is not given on simple circumstantial evidence any more. Appeal is mandatory up to and including the Supreme Court, which allows the higher courts to review every case and find any minor flow in the Crown's evidence. Then must follow an exhaustive review by the Solicitor General and finally by the Cabinet, and the Cabinet can always use its right to commute a death penalty. It is evident that in all those phases, the least doubt must necessarily be considered in favour of the accused. We already exempt from the death penalty those who kill in a fit of passion, jeal-

ousy or anger. We give special consideration in certain cases, for instance a man who is overly nervous and mortally wounds the police officer who tries to capture him.

Mr. Speaker, when the right hon. member for Prince Albert (Mr. Diefenbaker) pointed out that in 1966 there was a miscarriage of justice, he mentioned the United States and England but could not refer to a single case in Canada. Mr. Speaker, the present act has been in force since December 29, 1967 and in 1973 it was extended for another five year period for several reasons, particularly, that a longer period would give the authorities better statistical data.

Now the government has introduced in Parliament Bill C-84 to amend the Criminal Code as regards murder and certain other serious offences, which would replace capital punishment for premeditated murder by life imprisonment. That means in certain cases 25 years imprisonment, but in other cases, after having served 15 years, after being convicted, the inmate could file an application to serve less time before being eligible for parole. I remember that in 1973 an amendment was presented to replace capital punishment by 25 years imprisonment. Mr. Speaker, as concerns such an amendment, members of Parliament, association spokesmen and individuals told us that emprisonment for such a long period is more inhuman than capital punishment itself. To further support this argument, I would like to quote a few excerpts from various newspapers following the announcement of the new peace and security legislation.

On February 25, 1976, the *Montreal Start* published an editorial which read, and I quote:

> By filling up prisons with men sentenced to endless penalties, we are sure to transform these men in time-bombs and to expose prison personnel to a terrible danger.

Mr. Normand Caron, general director of the Human Rights League, stated, and I quote from the newspaper *La Presse* of February 26, 1976:

> These new amendments can only lead to even more desperate people who will not hesitate to attempt an escape faced with a hopeless future.

On the same day and in the same newspaper, the Association of Social Workers gave the following warning in a press release:

> We realize that the public must be better protected against criminals, but we do not believe that longer prison sentences are the answer to this problem. In fact, we have every reason to believe that such sentences would only make the problem worse.

Mr. Speaker, while recognizing that many people would like capital punishment to disappear, even more people support and accept it. This support reflects the aversion of the public for murder, the worst of crimes. Moreover, we recognize that public hatred for murder reflects a traditional attitude resulting from the fact that the death penalty is reserved for this crime in particular.

The abolition of the penalty considered traditionally as a fair and effective deterrent could only be recommended if there was clear evidence that the ordinary citizen believes this penalty to be clearly ineffective. The experience of the authorities shows that abolition of the death penalty when the public strongly favours its retention can cause confusion and doubt, which can have disastrous effects on the administration of justice.

Mr. Speaker, I said in 1973 and I repeat it with more emphasis today that at a time when the state has much to do to control crime, we should be more concerned about protecting society rather than the criminal. There are reasons to believe that the death penalty is a deterrent against armed robbery and the abolition of the death penalty could be interpreted by those who disregard the law as a signal to commit other criminal acts.

At the beginning of my comments, Mr. Speaker, I said that each member should make his own decision, since it is a free vote. This is why I for one cannot support this legislation because I am absolutely convinced that the fear of a violent death has an intimidating effect and is the only deterrent to prevent murder.

Before concluding, Mr. Speaker, I am sure that we all advocate the same objectives which is to provide more protection and better security to the public, but it is possible that we do not consider the same means.

● (1630)

[*English*]

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, the current wisdom is that parliament will pass Bill C-84 and thus abolish capital punishment, though probably by a very narrow majority. At the same time, sir, it is readily apparent that no issue in recent years has so aroused the Canadian public, the vast majority of whom, according to most indicators, favour retention. How can this apparent contradiction between the views of parliamentarians and those of the electorate be explained? Paradoxically, I believe it is probably because we are each talking and thinking about different things; some about deterrence and others about appropriate punishment. The latter consideration has been neglected by both sides, and probably to the detriment of each.

Those who oppose capital punishment tell us, correctly, that there is no conclusive evidence which demonstrates that the fear of death or the supreme penalty inhibits the potential murderer from killing. Abolitionists also argue the fact that some murderers have proven to be easier to rehabilitate than other types of criminals—and it is obviously true that you cannot rehabilitate a man after you have hanged him.

Such arguments would be entirely valid if those who sought to retain capital punishment wanted it to apply in all murder cases and if they based their argument on deterrence alone. Retentionists differ on the criteria they would apply in deciding when capital punishment is appropriate—although premeditated murder, or, in other words, murder for hire and the murder of police and prison guards are cited most frequently. However, most retentionists do not advocate supreme penalty for unpremeditated family murders, crimes of passion or murders committed because of quarrels among erstwhile friends. It is noteworthy that crimes of this type constitute by far the largest proportion of murders committed in this and other countries.

The retentionists accept, or I presume most do, that capital punishment would not be an effective deterrent in cases of this second type of murder. Moreover, I contend they believe that this type of crime, while reprehensible, is less vicious than those I enumerated first, in that with

respect to the first group of murderers the retentionist believes, not only that on some occasions the fear of being hanged will have the desired deterrent effect but that, even if it does not, capital punishment is the just punishment for the perpetrators of such crimes. If a person schemes, without extenuating circumstances of any kind, to deprive another person of his life for his own personal gain, then he deserves to receive the maximum penalty possible for his own iniquities.

We should, it is true, consider all diminutions of responsibility and all mitigating circumstances in determining the appropriate penalty. Hence, when there is full responsibility and no mitigating circumstances, the criminal should be treated with the full force of the law. Justice requires that punishment should fit the crime and the criminal. To be sure, there is no more fitting punishment than death for the person who plans to kill his business partner for financial gain. On the other hand, if we discover that the victim was having an affair with his murderer's spouse, we will agree that there are mitigating circumstances. It is precisely when there are no such circumstances that the death penalty for such crime becomes appropriate.

In order to persuade parliamentarians and the public to support the abolition of capital punishment, the government has introduced a punitive bill on prison sentences for murderers which will do little either to make society safer or to improve the quality of justice. The mandatory sentence to be served for first-degree murder is to be 25 years, and ten years for second-degree murder. When, and if, the cynical manoeuvring implicit in trading-off supposedly tougher laws regarding sentencing of murderers in return for the abolition of capital punishment ceases, then abolition will become more feasible. I say, with respect, sir, that there should be no trade-offs involving matters such as these.

The two main aspects of this bill contain contradictory principles, and as a result this legislation is offensive to retentionists and abolitionists alike. There are two questions involved in this bill, and I can see no reason that we cannot discuss them separately, based on their own respective merits. Let us consider, for example, the case of a 45-year old man convicted of first-degree murder. Under the presently proposed legislation, he will be incarcerated until he is 70 years of age. He has no incentive to improve; he is a constant escapee threat, notwithstanding the higher penalties for attempted escape, and a continuing danger to guards and other prisoners. But if the abolitionists are right, as I believe they are, that murderers without previous criminal records are among the easiest to rehabilitate, and if the criminal has not committed the kind of crime of the type I enumerated a few minutes ago, then to incarcerate such a man or person for 25 years is in itself a denial of justice. Here is a man who could probably contribute something to society, and our proposed new law would deny that possibility. Moreover, the government's negligible efforts at rehabilitation make the possibility of further rehabilitation more unlikely, even if the period of incarceration was lengthened.

The ten-year mandatory sentence for second-degree murder, with the judge's option of an extension of this sentence to 25 years, is probably even worse. Take, for another example, the case of a woman who killed her husband intentionally in a fit of anger because he was constantly beating her and her children, or gambling and drinking away the family income. While we would scarcely consider such behaviour acceptable, it is doubtful that most people would consider it appropriate if she was incarcerated for a minimum of ten years. In each case, I believe the punishment should be determined by the specific circumstances of the crime and the previous record of the criminal. The proposed new legislation denies us the right to such elementary justice and, incidentally, casts doubt on the statement of the Solicitor General (Mr. Allmand) when he speaks of his dedication to a more civilized society.

I believe, strongly, in more judicial discretion and not in tying the hands of our judges with mandatory sentences, which in many cases could be exercised by people without any judicial training whatsoever and which, unfortunately, is becoming more and more a trend in our criminal jurisprudence; that is to say, taking away the right of the judge to decide in individual cases that which is right and appropriate and denying to society and those who appear before him the conscientious deliberation of one of those people in our society whose only mandate is to do the right thing.

● (1640)

The consequence of the proposed new law, if passed, will not merely be that capital punishment will be abolished, but that there will be much less true justice for those who are incarcerated. Moreover, the very real possibility exists that juries will refuse to convict when a minimum sentence seems too excessive.

Should members of parliament abolish capital punishment when its retention is desired by a majority of Canadians is a question which no doubt many members have asked themselves time after time during this debate. Parliamentarians are representatives of the people who elect them, not their delegates. According to the parliamentary tradition, members of parliament should decide on the basis of their wisdom and their conscience. While we should listen to our constituents, the final decision should be ours and not theirs. At this point I reject the self-serving assertions by some abolitionists that only they are following this honoured parliamentary tradition, and also the clear inference that the retentionists are somehow merely responding to the whim of the moment.

Parliamentarians should not mindlessly do what their constituents want. That is obvious. On the other hand, when they want to do something that is abhorrent to most of the people, they should be much more certain of their motives. Members of Parliament ought to be careful in overruling the clear and collective wishes of the people which, of course, in effect is the situation in considering this particular piece of legislation at this point in Canada's history.

I ask the government to withdraw or drastically modify this piece of legislation. As I said earlier, there are two distinct principles involved in this legislation. I believe members of this House must have the opportunity to decide each of the principles separately and according to their merits. In any event I, for one, shall vote according to

my conscience. I ask only that the Solicitor General and other abolitionists do the same and refrain from imputing motives to members who may not agree with their point of view.

Our existing criminal law over the centuries has been refined to the point where an accused does have sufficient protection to take into account practically all mitigating circumstances. In this country, when a person is accused of murder there is an assumption of innocence. In our system of criminal jurisprudence there is the right to a preliminary hearing, the right in respect of a grand jury, the right in respect of a petit jury, and the right of appeal right up to the Supreme Court of Canada in respect of any conviction, and in the final analysis, the possibility of the royal prerogative of mercy being exercised on behalf of the person concerned.

All these safeguards are in addition to the very real principle which has existed in our form of justice over the years, that of making sure that it is better for 100 guilty men to walk away than that one innocent man be convicted. All juries are instinctively aware of this tradition. All these safeguards exist, in addition to the option of being acquitted by reason of mental disability, of being convicted of lesser crimes, or included offences, such as manslaughter on the basis on self-defence, mistake or accidentally. Those of us who have practiced law realize, as the previous speaker said, that there is hardly any imaginable chance that in this day and age any person would be executed for a crime that was not of the most reprehensible and terrible type.

We have a system of criminal law and jurisprudence which has served us well. It can be modified and improved, that is for sure; but I am not convinced that the ultimate penalty at this point in time should not be maintained, to be used only in cases when there are no mitigating circumstances that could possibly be taken into account by conscientious jurists or by conscientious members of the cabinet.

To follow the thrust of this bill at this particular time in an attempt to make things more desirable or better for law enforcement in our society, I suggest is not feasible. If this legislation is supposed to be a cure for some sort of malady or disease that is affecting our society at this time because of the forces and influence of crime, it is a cure that I feel will be worse than the disease itself.

Mr. Jack Murta (Lisgar): Mr. Speaker, I feel somewhat honoured to be able to participate in this debate on Bill C-84 since we will be having a free vote on this very important matter. To begin, I should like to say that once again this House meets to debate and vote on a bill involving the issue of capital punishment. The last time the issue came before the House, in the fall of 1973, a measure was passed that saw the death penalty for a five-year period except in respect of those who had murdered policemen and prison guards. It should be pointed out that the result was the abolishment of the death penalty in all cases, since the government has shown itself to be utterly unwilling to apply the law as it stands. The government can argue that it has been completely within the letter of the law, that it has the power to commute any death sentence, but it is the spirit of the law that has been violated. It is satisfying to know we will see the end of the spectacle of a government that frustrates the law of the land, whatever the fate of the bill as it now stands. In other words, we will finally see the law carried out one way or the other regardless of how people across the country feel.

In the bill before us we are asked to vote for total abolition of the death penalty in Canada. This I cannot do. In fact, I cannot support any legislation on this matter which does not include the death penalty, as potential punishment, not only for the killing of policemen and prison guards but for all premeditated murder. In taking my position, I do not picture myself as a vengeful, bloodthirsty ogre, but as a responsible member of parliament making a decision that is true to both my conscience and the sentiments of most of my constituents. The decision was taken only after weighing all the factors as I saw them.

I have no great emotional attachment to the death penalty as such, as has been expressed by people throughout the various parts of the country and by some members of this parliament. If an alternative were to appear that I felt was as effective for the protection of society, I would support it. However, due to the unique nature of capital punishment as a deterrent, it is doubtful such an alternative can be found. Capital punishment cannot be dismissed as a simplistic solution. The alternative certainly has not been provided in the mandatory 25-year sentence for premeditated murder found in Bill C-84. This measure is a carrot-on-the-end-of-a-stick approach by the government. In the past, when the government knew it could not get a majority in favour of total abolition, it compromised by making exceptions for the murderers of policemen and prison guards and by restricting the measure to five years. Now, when the move has been made to total abolition, the 25-year minimum sentence has, in my opinion, been thrown in to pull enough votes to the abolition side in an attempt to ensure passage.

My position on capital punishment is not based on any philosophy of "an eye for an eye" but a desire—and I hope a sincere desire—to protect society, something that is not obvious today. We have been told that use of the death penalty would brutalize civilization. I not only dispute this claim but I suggest that capital punishment is necessary if we are to prevent civilization from becoming more brutal and lawless.

● (1650)

To my way of thinking, capital punishment as a deterrent has two aspects. The first is that the threat of the potential use of the death penalty deters a certain segment of the criminal or potentially criminal population from using murder to accomplish their ends. The second is that carrying out the death penalty in those cases where there is no hope of rehabilitation and the chance of further acts of violence, including murder, seem likely, capital punishment is the ultimate deterrent.

I am not going to quote statistics in support of my position that capital punishment does have a deterrent effect. That has been done, ad nauseum, on both sides of this issue until the figures become meaningless. For example, the retentionist side can point to the rising murder rate since partial abolition in 1967, which in practice under this government has been total abolition, and the abolition-

ists can quickly point out the rising numbers of all crimes, implying that the rise in the murder rate has little or nothing to do with abolition but is just a reflection of a general increase in crime across Canada and certainly in most countries of the world.

Which view of the statistics is correct? I really do not think that question can be answered, because once again it depends strictly on the way in which you use statistics. Thus, my reluctance to use statistics in support of my argument is not because such statistics are not available but because I recognize that the other side can support their argument equally well with a different interpretation or set of statistics, thus putting us no further ahead.

The use of deterrents is well recognized in our judicial system. It is one of the prime motives behind the principle of lesser penalties for lesser crimes. As murder, especially premedidated murder, must be considered the ultimate crime, should not society impose the ultimate penalty—not for vengeance but for its own defence?

I would like to say a few words on the aspect of public opinion on this issue, and certainly the House of Commons as the forum which we are using to debate this piece of legislation is the focal point of public opinion which is shifting back and forth across the country. I certainly hope I am not one of those people who wish to see this or any other issue decided by public referendum. I would certainly like to state that in my view that would be an abdication of the responsibility of parliament to make the laws for Canadian society. If we used the method of public referendum, we could do this with any number of pieces of legislation. However, in any issue public opinion, especially when it is as clearly defined as it is in this case, must be given some weight in each member's decision. My sympathy goes to those members who must choose between the wishes of the large majority of their constituents and their own personal view. Fortunately, I have no such difficult decision. The vast majority of my constituents, and myself, are in agreement on the necessity of the retention of capital punishment, though not always for the same reasons.

The coverage by the media of this issue seems to imply that the only members following their conscience are those who favour abolition. I want to make the point emphatically that the members in favour of abolition do not have a monopoly on voting by conscience, as the media would have us believe. Many—I believe, the vast majority—of those voting against the bill do so because of their own personal beliefs. That public opinion shares these beliefs in no way alters the fact that these members will be voting true to their conscience, just as will many of those members supporting the bill. If those sections of the media that are pressing members whose personal views conflict with those of their constituents to vote in accordance with their conscience wish to be consistent, should that same principle not also apply to those close retentionists in the cabinet who are being forced to toe the line on this issue?

In Bill C-83 and Bill C-84 the government has supposedly provided us with its definitive statement on violent crime. However, the measures contained in the legislation leave significant gaps in the areas of prevention and rehabilitation. For example, no measures have been proposed to deal with the significant incidence of hard drug related crime, or with the problems of crime among Canada's native population. These problems need special attention which one does not find in the peace and security legislation or in this bill.

I would now like to explain what I feel is the increased danger when a mandatory 25-year sentence is combined with abolition of the death penalty.

Mr. Blais: Mr. Speaker, I rise on a point of order. I hate interrupting the hon. gentleman in full flight of oratory, but I was wondering if perhaps the House might not give its consent to doing away with private members' hour and continuing this most enlightening debate until six o'clock?

Mr. Paproski: Agreed.

Mr. Knowles (Winnipeg North Centre): Agreed.

Mr. Deputy Speaker: Is there unanimous agreement to suspending private members' hour and continuing the debate on Bill C-84?

Some hon. Members: Agreed.

Mr. Murta: Thank you, Mr. Speaker. I appreciate the fact that private members' hour will be suspended today to allow us to continue this very important debate. As I was saying before the interruption, I would like to explain what I feel is the increased danger when a mandatory, 25-year sentence is combined with abolition of the death penalty. This increased danger will focus on two law enforcement groups that in the present law are given special status. Consider what will likely be a common case should this bill pass—a murderer sentenced to 25 years in prison, but secure in his knowledge that he cannot be executed no matter what his crime is in the future. Will not the number of attempts at escaping increase when a prisoner is faced with 25 years in confinement, as opposed to, let us say, 10 years? Will not the level of violence used in these more frequent escape attempts be higher when the prisoner is faced with a penalty of only further imprisonment?

Would not a similar response be expected of a successful escapee avoiding recapture? We have enough incidents of escapes and hostage-taking in our penitentiary system at present, without bringing in measures which are sure to increase their number and severity. These problems, these fears, have been borne out by various law enforcement agencies across the country in virtually every province in Canada. From a position of providing special protection for law enforcement officers—at least in theory—we are now being asked to vote in favour of measures which will increase the already substantial risks to which they are exposed. Many of these law enforcement officers are very concerned about the outcome of this legislation if the bill passes as it has been presented by the government.

● (1700)

In conclusion, let me deal with the concept of cruel and unusual punishment. I cannot imagine how any member of parliament can argue that condemning a man to 25 years in our present penal system is an act of mercy, compared with the death penalty. In their zeal to placate their own consciences, many hon. members may be sentencing men to

fates far worse than death. Anyone who has had a chance to look at our present penal system certainly must agree.

In my opinion, this legislation is a poor answer to a very complex problem and cannot do anything but make things worse, not only for policemen and prison guards but also for law-abiding citizens across Canada. The most serious effect of the legislation in Bill C-84 and also in Bill C-83—which I suppose we can consider as one piece of peace and security legislation—is that we have not started down the road to any meaningful reform of our penal system at all. When this debate is over, we will go back to what we had before, and unfortunately the issues may not arise again for a long period of time. What we have done is perpetuate a system which has demonstrated that it is just not working.

[*Translation*]

Mr. Raynald Guay (Lévis): Mr. Speaker, the position I took in this House on February 20, 1973 concerning the abolition or the retention of the death penalty remains the same. This is not surprising since the reforms on crime prevention that I would have wanted to see brought forward have not been forthcoming, unfortunately, so that it is impossible for me today to approve the abolition of the death penalty simply because, to my mind, society's protection would be harmed by such a measure.

Indeed, there are criminals. We are concerned about punishing them through forced labour, imprisonment and hanging. In any event, we are not concerned about healing the causes which drive some individuals to crime. In the social sector, much has been done but there is still much to be done. With our present education system, we are preparing criminals.

In the report which we have been given and which is written by Dr. Fattah, a criminologist from British Columbia, we find on pages 147, 151 and 165 tables which show that among the people surveyed 50 to 60 per cent believe that discipline in schools is not strict enough; this was the opinions of primary and secondary students as much as of adults aged from 20 to 39, 30 to 49, 50 or more. The lack of discipline produces criminals.

In 1968, the Divorce Act was amended, but the regulations concerning the maintenance rules allow one spouse to have a coercive power over the other. As we read on pages 32 and 33 of Working Paper 12 by the Law Reform Commission of Canada on "Maintenance on divorce", and I quote:

> It is an unfortunate part of the folklore of marriage, because of the legal tradition involved here, that the "innocent" husband should be able to put the "guilty" wife "out on the street without a penny", and when the situation is reversed, the wife should be able to "take him for every cent he's got."

In most divorce cases the wife is automatically responsible for children. If she finds a job, she will have to pay a baby sitter, but according to the statistics of the Royal Commission on the Status of Women, one sees that generally her salary will not be sufficient for her to adopt such a solution. The only alternative left to her will be social welfare which will be just enough, if not to live, to survive. If she dares pay a lawyer to seek a maintenance allowance from her husband, there will be a ruling of course but how can it be enforced since she is given no coercive means to make him pay alimony?

In that respect, I hope that the Minister of National Health and Welfare (Mr. Lalonde) who is now studying if it is possible to pay maintenance allowances, will be able to bring forward such a humanitarian policy. To conclude, with entire families living in a state of constant humiliation and poverty, the Senate commission proved that the state of poverty tends to lead directly to crime. In days of yore, we might have been able to suggest that the poor try to recapture in work some of the dignity they lost, but because of current high unemployment, which seems to show a tendency to increase instead of decrease, our solution would not be welcome!

Unemployment strikes like a plague: the young people, without preparation, the drop-outs, soon become young delinquents; the graduates, become our unemployed with degrees. I know a forest engineer with many degrees who has been looking for a job for two years now, and is still looking. People of 40 or more are considered less productive that the young and women. The latter are the least disadvantaged in the labour market, very often because they accept jobs the men would not do for the money offered.

If that continues, we will soon be running short of taxpayers and workers to pay for unemployment benefits. We will then have achieved the real society of leisure, won't we? But, all that compulsory leisure called "unemployment", Mr. Speaker, finally leads to crime.

As a consequence of all those weeknesses in the fundamental systems that govern our Canadian society, we witness high juvenile delinquency rates and criminality that the judicial system does not remedy. We have reached the point where we invoke judicial error as the reason for abolishing the death penalty. We fear judicial errors, Mr. Speaker, but who commits those errors? Certainly not the one who was killed, who was its victim.

Neither by the accused who may also be the victim of this error. By the members of the jury? But if they make a miscarriage of justice, they cannot be held responsible for that since they are also in some way victims of it. There remains only our judicial system to blame. Perjury, forging of evidence, conjuring of witnesses produce miscarriage of justice at the beginning of the chain, and our antiquated and inadequate penitentiary and rehabilitation system closes the ring of injustices. Unable to correct them, we imagine being able to prevent them by trading off the death penalty for life imprisonment.

I have here a document dated June 26, 1973 and signed by inmates from Cowansville. The prisoners themselves do not accept this solution. They say that even though you are against capital punishment and your vote makes the balance turn towards abolition, nothing will change if in exchange you accept the implementation of a prolonged punishment which under a more humane disguise will only be a death by inches. To deny all hope to prisoners means they will become madmen, dangerous people for those they live with or even leading them to suicide.

And it seems they are right, Mr. Speaker, if we are to believe the statistics on the number of suicides among prisoners in federal institutions. Between 1959 and 1965, when capital punishment was enforced, there were 27 suicides. Between 1965 and 1972, after capital punishment was suspended, there were 77. Prisoners advocate what they

call "preventive detention", a formula which would be more like rehabilitation than punishment and which, in my opinion, would deserve closer study. But we are not talking about prevention, but punishment, are we not, Mr. Speaker?

As things now stand, we will have to be very strict. Even some members of the Parole Board are of that opinion. Mrs. Mary Lynch, who retired last November 26 after 15 years in that service stated before the press that it might not yet be the moment to abolish hanging in Canada.

Some people will retort that moral authorities, namely churches, have just decided against the retention of capital punishment. Personally I think that this position by bishops is ambiguous because they do not deny the state the right to impose capital punishment if required by circumstances. But this is the case and we infer that when required by circumstances, the death penalty must be applied.

The League for Human Rights itself determined two objectives: protect society and rehabilitate the murderer. In its document of January 31, 1973, it says:

> It is necessary for Canadian society to have maximum protection against murderers . . . and . . . it is fair for society to force the murderer to make up for his act.

There I say, Mr. Speaker, that because society has not yet provided the appropriate prevention and protection mechanisms, we have no alternative other than voting for the retention of capital punishment.

● (1710)

[*English*]

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I should like to echo a few of the sentiments expressed by some of my colleagues today about the importance of this debate at this time. The government has been stressing that they want to get the business of the House completed as soon as possible and yet they bring on a debate which, as far as I can see, at this moment has very little importance.

This is the second time that I have had the opportunity to participate in this debate, Mr. Speaker, and neither of these instances would have been necessary if the government had tended to its business. Just over three years ago, on May 16, 1973, was the first time I contributed to the debate on capital punishment. The reason I say it is not necessary that I should have participated at all is that at that time the bill had already expired. The government had lacked the foresight to introduce replacing legislation prior to the end of 1972 when the first partial ban on capital punishment expired. The debate in 1973 extended the partial ban on capital punishment to December, 1977, some 20 months from today. I say there was plenty of time for the government to have organized its program so that the debate could have taken place at a time when the pressure of House business was not so intensive.

My stand, however, does not demand capital punishment in any spirit of blood lust or revenge. The argument I hope to develop will stress the fact that society needs protection by the government—it needs protection from the government, too—I suspect—Mr. Speaker. However, protection of the public is the point I want to stress as being the most important. Before I get into that, however, there is another factor I should like to discuss. This bill presents a "no loss" situation to the abolitionists. In other words, if the bill is passed by the House, then we will have abolition and they will have won the day. On the other hand, if the bill is defeated, it will simply mean that we will continue with the law that exists at the present time and in fact we will still be without capital punishment because for the last 14 years this government has practised abolition.

We should look at the law as it stands so that we will know the alternatives if the bill is defeated. Apparently recognizing the vulnerability of police and prison guards, and probably realizing that it was a necessary feature to get the last bill passed, the government included a provision that killers of police or prison guards shall be or can be executed. Of course, the cabinet retained the power to commute the death sentence and that is the practice they have followed.

I do not think there is anyone in this House on either side of the issue who would not agree with the proposition that murderers should be removed from society, if not permanently then certainly for a very long time. In some cases, that would be extended until they were cured of their propensity to murder. When we are considering murder and the punishment therefor, I think it is important to define exactly what we mean by the term "murder." After all, many offences that involve killing are not murder and the perpetrator is not subject to the ultimate penalty. I should like to read a definition I came across in a *Globe and Mail* editorial of February 26:

> First degree murder is defined in the bill as planned and deliberate murder and as the killing of a police officer, prison guard or a person working in a prison even though the killing was not planned and deliberate. It would also be first degree murder, even though not planned and deliberate, if someone were killed during the hijacking of an aircraft, or during a kidnapping, rape, attempted rape or an indecent assault on a male or on a female.

Those are all heinous crimes, Mr. Speaker, and I am certain there will be agreement that the ultimate penalty should be imposed for them. Where we have some difficulty is with the so-called passion killing or other "heat of the battle" type killings. I do not think most people want to see the perpetrators executed, and that is where some of our difficulties arise. I think some who are abolitionists have arrived at their conclusion, because they fear a miscarriage of justice, that the wrong person will be executed and society will be unable to make it up to him. I am not certain how well we can make up an error after a man has served 25 years. It would be very difficult to restore those 25 years to him if he were found to be innocent or to have been erroneously convicted.

Dealing with the error aspect, I should like to read a paragraph from a letter I received from Hon. J. V. Clyne, a resident of Vancouver. Mr. Clyne is a retired industrialist and, what makes him more unusual, a retired jurist. He resigned from the Supreme Court of British Columbia in order to return to industry, in which he embarked on another successful career. He wrote the following to me:

● (1720)

> You know the elaborate precautions which are taken to make certain that the accused is deemed to be innocent until found guilty and is deserving of death. It is necessary for the Crown to prove intent in

order for a man to be found guilty of murder. If intent is not proved but death ensues as a result of a criminal act then the charge is reduced to manslaughter. It is likewise reduced to manslaughter even if the accused formed the intent to kill but acted on the instant under extreme provocation and the degree of provocation is for the jury to consider. It may likewise be reduced to manslaughter if the jury finds that the accused acted reasonably in self-defence. The judge must always charge the jury in a criminal action that the Crown must prove its case beyond reasonable doubt and if the defence raises a reasonable doubt in the jury's mind it must either acquit or reduce the charge. I mention these matters to emphasize that every safeguard is taken to prevent a miscarriage of justice.

I shall refer to that letter later. What he said ought to allay some fears. After all, society and governments must make decisions from time to time. Existing safeguards against accidental or erroneous convictions are of a high standard.

Many hon. members have referred to the opinions of their constituents. I want to do the same and to refer to other opinions as well. Like many colleagues in the House, I sent a questionnaire to constituents. In 1974, after passage of existing legislation, I asked my constituents the following question, among others: "Are you in favour of capital punishment for other murderers as well as for murderers of police or prison guards?" In other words, the implication was: "You are stuck with this law for the next four or five years; do you think it goes far enough, or should it go further?" We received 3,248 responses, which represent a return of 13 per cent. Statisticians consider a response of about 6 per cent as normal. I think, as we received double the normal response, that we did fairly well, although I do not think one can assume from the greater than normal response that one side or the other would express a stronger opinion.

The result was that 75 per cent of the residents of my riding expressed themselves as being in favour of capital punishment for other murderers as well as for murderers of police or prison guards. If hon. members consider the definition of "murder" to which I referred previously, it will help them to think more clearly.

Society entrusts the enforcement of its laws to the police. Admittedly, at times the police have a difficult job to do. I do not know why abolitionists seem unable to pay much attention to the views of the police, to whom they entrust the enforcement of the laws. I therefore refer hon. members to what the Canadian Police Association wrote to the Prime Minister (Mr. Trudeau) last year. In part, the letter said:

The association is deeply concerned over the fact that there is now no penalty of consequence on persons who commit murder in our country. Persons convicted of murder who are given a "life" sentence can be eligible for parole in seven to ten years after conviction. It is the view of the policemen of this country, as represented by the association, that this is not a suitable penalty and does not serve to protect society.

The view has been expressed that juries tend not to convict if they feel that a conviction will mean putting the accused to death. On the other side of the argument there is the equal danger that the policeman under fire or the pressure of his job will, perhaps unknowingly or unconsciously, develop a tendency to act without benefit of law. In other words, he may take the law into his own hands. Faced with the choice of making a difficult capture or killing in action, it is possible he will take the law unto himself and act accordingly. That will not be the honourable thing for him to do; he may do it even without realizing what he is doing. The point is that the government will put him in such a position that he will be under those pressures.

I shall now refer to something an official of the John Howard Society said. I am sure hon. members appreciate the good work the John Howard Society has done for many years. A member of the board of directors said he would rather "they hang murderers than see them imprisoned with very little chance of coming out." We know that the suggested alternative to capital punishment is the long prison term, perhaps of 25 years. The John Howard Society has long been an advocate of rehabilitation, but it knows, from its experience, that a 25-year prison term will preclude any hope of rehabilitation. It suggests capital punishment is better than 25 years in jail.

Hon. members have received much correspondence from churches. I have a letter from the Canadian Council of Churches; it is addressed to me. The letter speaks of "the following bodies" as having spoken in favour of the abolition of capital punishment. Various churches are listed, including the Anglican Church in Canada which is at the top of the list, the Baptist, Presbyterian and Mennonite churches, the Roman Catholic church, the Society of Friends and the United Church of Canada.

Mr. Johnston: Hear, hear!

Mr. Clarke: I am an Anglican, Mr. Speaker. I am a supporter of the Anglican church; what is more, I am an attender of the Anglican church. I know that some Anglicans came together and made the statement that the church is opposed to capital punishment. But I also know that the Anglicans with whom I go to church on Sunday and associate during the week are not of a mind to support the body that made this statement regarding the abolition of capital punishment on behalf of the church.

An hon. Member: Hear, hear!

Mr. Clarke: Mr. Speaker, I have some support in the House. It is all very well for a body to establish a policy, but I do not think they should try to impose their will on the members of the church who have not been consulted on a matter. It is not even as if they were outvoted; they were not even consulted on the issue.

I note that the Baptist church takes a somewhat different position, and I point out that the list previously alluded to contains the Baptist convention of Ontario and Quebec. I have in my possession a letter from a Baptist minister in my riding, Vancouver Quadra. The Reverend Wald Kroguletz is in favour of capital punishment, but did not try to foist his views on his parishioners. I wish to quote a paragraph from the letter. It reads:

Most politicians who quote the sixth commandment: "Thou shalt not kill", have little or no theological understanding of the true meaning of the same. This divine law forbids any individual to hatefully and planfully murder any other individual. The sixth commandment does not prohibit the state to punish and execute the offending criminal—

● (1730)

He makes a reference to Exodus which I shall not repeat now. I shall be saying something later about the right and duty of the state to afford the protection to which I have alluded.

In the last debate we heard a speech by an Anglican clergyman who was an M.P. of this party. I thought he summed things up very well. In fact I sent copies of that speech out to a number of people who wrote to me concerning capital punishment. In a key paragraph of that speech in 1973 he said:

> The conviction is growing among a great number of Canadians that we need the death penalty as one way of reversing the permissive trend of the past decade . . . Few citizens of this country find much pleasure in the sight or thought of a fellow human being hanged. But there are many who want some assurance that the law is going to be enforced and that the public is going to be protected. They do not want cruelty shown to anybody but they want the ordinary man, woman and child of this country protected and they want to say to the criminal element of this society that that element is on notice that society is prepared to defend itself.

A lot has been said about the deterrent effect of capital punishment. There is probably no way of proving that capital punishment is a deterrent, or that it is not. I have heard it said that it is certainly a deterrent to repeaters, and I agree with that obvious statement. It is unfortunate we do not have statistics to lend weight to one side of the argument or the other. As hon. members know, capital punishment has not been carried out in this country since 1963, so both sides of the case cannot be argued. The contention that capital punishment is not a deterrent is not a very strong one when we bear in mind that capital punishment has not been enforced for so long a period.

It is accepted, I presume, that penalties of one kind or another do act as a deterrent otherwise there would be little point, for example, in imposing fines for parking offences—and we find that a three dollar penalty nowadays is not particularly effective as a deterrent; indeed we find parking offences committed all over the place. Nevertheless our selection of punishment ranges all the way up to long prison sentences for serious crimes such as assault and robbery, right up to death for murder. If it can be said with certainty that the death penalty is not a deterrent to murder, how can it be argued that life imprisonment is a deterrent? Indeed, why should we concern ourselves with punishment of any kind?

Even in British Columbia where a socialist government decided that traffic fines favour the rich and should therefore be abolished, there is still a deterrent to dangerous or careless motoring. Indeed, it is probably more of a deterrent than the previous penalties. Offenders are now awarded demerit points, and after a certain number of demerit points they lose their licences.

I should like to refer to an article which appeared in a magazine called *The Canadian Police Chief,* written by one Sid Nelson, and appearing in the issue of January, 1976, He talks about deterrence in these terms:

> The question of deterrence is secondary to the question of justice and we ought not to confuse the two. One person has observed, however, that capital punishment is really the ultimate deterrent in that it assures us that he who has murdered another will never murder again. A prominent lawyer in Montreal has affirmed that an escaped murderer who was his client probably killed five other persons on his escape. In this instance capital punishment would have saved the lives of five other people.

I consider this to be a very strong argument although it is evidently one which has not been accepted by the government. Talking about the protection of the public, which is my main theme, I say that if a murderer is sentenced to life imprisonment or to 25 years in prison it means he will be there for the rest of his useful life. There is no deterrent for him not to stay in prison. In other words there is every encouragement for him to attempt to escape. If he kills people getting out or if he kills people while he is outside the worst punishment he faces is to go back to jail for the rest of his life. But he is already there for the rest of his life, and after all one can only serve one life sentence.

I maintain that the work of prison guards and of police officers becomes increasingly difficult and dangerous in times when the the death penalty is not carried out. As I say, prisoners find themselves in a "no-loss" situation—somewhat the same as the government finds itself in presently. Prisoners are likely to make use of every occasion and every means possible to escape and find their way back to the free world.

I also want to say something about the power of the state to execute. Some people assert that the state does not have the right to take human life. I suggest that the evidence on the other side of the question is stronger. In my view, not only does the state have the power to protect citizens and execute others in the course of carrying out that protection but it has a duty to protect innocent members of the public.

The state abrogates its duty if it refuses to execute people in cases where such a penalty is obviously warranted. I would refer members who are concerned about this aspect to consider what happens when the state declares war on an enemy of the state. In effect, by declaring war, the state gives a licence to members of the armed forces to kill. It makes very little difference whether we are concerned with an enemy of the state during wartime, such as the second world war, or with an enemy of the state in the shape of an isolated individual murderer. The state has a duty to protect, and it cannot protect the public if it declines to use a power which it now possesses under the law.

I realize there are some who are abolitionists because they object to the method of execution used. I am not one who would insist that hanging is the only way or even the best way in which executions should be carried out. Once again I refer to the letter from J. V. Clyne of Vancouver and read these few sentences:

> When I was on the bench I did make certain investigations regarding the gas chamber and the electric chair and on the basis of making death quick and effective I think hanging is a better choice than either of them. I believe however that there should be substituted in modern times a form of euthanasia, that is to say, the means of procuring a quiet and easy death. With the advancement in the knowledge of drugs this should not be difficult. As I have said the death penalty should be preserved but there should be an enquiry as to the means of carrying it out.

● (1740)

In conclusion, Mr. Speaker, may I summarize my remarks. My investigation leads me to the conclusion that Canada needs capital punishment at this time. The present abuse of the will of parliament by the cabinet is seriously undermining public respect for the law. The public must be assured of protection of the law and by the law. I urge my colleagues in the House to oppose this bill as a step on the road to these overdue changes.

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I think this is the third time I have participated in a debate

on this subject since I have been in this House. I must say I think all sides on this particular issue should be congratulated on the rational nature of the debate. I think it has maintained a rather high standard, in the sense that I do not hear too many of those who are abolitionists calling the one side bloodthirsty, and I do not hear those on the other side calling the abolitionists yellow and so on, so in a sense I think the debate is a worth-while one.

Before getting into the question of the death penalty itself I want to deal briefly with the bill and the alternative proposed in the bill, that of a 25 year mandatory sentence for first degree murder. We have had quite a bit of comment about this being a trade-off and so on. The facts are that under section 672(1), as I read the bill, the mandatory nature of the sentence is 15 years, not 25 years. The chief justice of a province has the authority, and I think the duty to appoint three of his judges to sit not merely to make recommendations back to the parole board but to make decisions on how much longer the mandatory section of a sentence is to last. To those who are on the side of arguing that 25 years is a more draconian alternative than the death penalty I suggest they look carefully at this bill.

I think the government should be subject to some criticism for using the argument about a trade-off. Any examination of the bill clearly leads one to the conclusion that the mandatory sentence for first degree murder is 15 years, not 25 years, and I cannot understand why the media and the public are talking about a sentence of 25 years. People in prison who have had the 25 year sentence imposed on them, once they have served 15 years of their sentence will clearly be able to make a routine application to the chief justice of the province, and the chief justice will routinely appoint three judges who will make the sort of decision that the parole board has been making up until now, so I do not think we should kid the public about what this bill really provides.

As for the other issue, the question of capital punishment, we have had this time more than a dialogue between the deaf. Most of the time when we get into this kind of debate we always assume our positions are entirely fixed, that no one will budge from matters of conscience which may have been developed over many years. However, I think in fact some listening is going on. I do not know how much change there has been in terms of debate, but the thrust of the argument has changed. For example, those who are advocating abolition are emphasizing questions that deal with the safety of the public rather than whether we live in a civilized society and such philosophical questions as that. I should like to spend some of my time on whether public safety is enhanced through the use of the death penalty or whether in fact its use increases public risk.

Some of the new evidence that has come forward on this subject has to do with the murder rate. Those who argue for retention have some evidence that we should certainly consider, namely, that the murder rate has doubled since between 1962 and 1974. In 1962 the rate was 1.2 per thousand; it is now 2.4 per thousand, using constant population figures. This is a significant change and well worth examination, no matter which side of the question one is on. It is clear that it is not just public imagination that says that rates of crime and murder are increasing.

I would ask those who favour retention of the death penalty on those grounds to consider the fact that the department of vital statistics disclosed that in 1961, when hanging was in vogue, 20 per cent of criminal homicides led to charges of manslaughter, whereas in 1974 only 7 per cent were manslaughter. What, in effect, has happened is that the murder statistics have risen, not entirely but partly, as a result of the police laying more murder charges. The reason that more murder charges tend to be laid is that the chances of conviction are higher when the death penalty is not the penalty facing the jury when they make their ultimate decision. In terms of statistical evidence murder has increased, but I do not think it has increased quite as dramatically as the bald figures themselves disclose.

The media have some responsibility for the public's perception of its own safety and the risk that the public itself on an average basis faces. There is no question in my mind that anyone who watches a great deal of television has a different perception from those who do not expose themselves to the myriad of media violence to which we are continually exposed. I want to quote briefly from "Psychology Today" for April, 1976, which has an article dealing with the perception of crime and personal safety and how this is affected by watching television. As a result of a very comprehensive study the article says:

> We have found that people who watch a lot of TV see the real world as more dangerous, and frightening than those who watch very little. Heavy viewers are less trustful of their fellow citizens, and more fearful of the real world . . .
>
> In order to complete a story entertainingly in only an hour or even a half hour, conflicts on TV are usually personal and solved by action. Since violence is dramatic, and relatively simple to produce, much of the action tends to be violent . . . More than half of all characters on prime-time TV are involved in some violence, about one tenth in killing . . . Among those TV males with identifiable occupations, about 20 per cent are engaged in law enforcement. In the real world, the proportion runs less than one per cent . . .
>
> Violence on television leads viewers to perceive the real world as more dangerous than it really is, which must also influence the way people behave. When asked, "Can most people be trusted?" the heavy viewers were 35 per cent more likely to check "Can't be too careful."

The conclusion of this study, which was quite extensive, is as follows:

> We have found that violence on prime-time network TV cultivates exaggerated assumptions about the threat of danger in the real world. Fear is a universal emotion, and easy to exploit. The exaggerated sense of risk and insecurity may lead to increasing demands for protection, and to increasing pressure for the use of force by established authority.

The media have something else to account for, and that is whether public behaviour itself is affected in individual cases; for examples, whether a brain damaged individual or an individual with lower degrees of resistance to what he is seeing is influenced in terms of his potential for crime. When one looks at some of the more notorious crimes that have taken place involving murder, they are surprisingly close to actual media presentations. I am thinking now of a case that happened recently in the United States, and I read from the Ottawa *Citizen* of Friday, May 14, as follows:

● (1750)

> David McRae, Jr., whose mother said he always wanted to be a policeman, walked into a bar in a seedy area Thursday and fatally shot

four persons after warning he was coming to clean out pimps, prostitutes, homosexuals and dope pushers.

I do not know whether they asked this individual, David McRae, what movies he had been seeing lately, but if he went to see a movie called "Taxi Driver" that is exactly what he would have seen in that picture. This is not just a coincidence. There are a number of very interesting murders which took place following the exposure to media violence of some person of low resistance or with possible brain damage, but with the potential for violence. It is too often that this sort of thing happens not long after such exposure.

The media have to start cleaning their own house or this place is going to start cleaning it. I think the time has come to examine the amount of violence to which we are exposing the public. Guidelines will have to be developed in the long run if the media do not develop their own guidelines.

We are dealing with a very sensitive area. The average person may not be affected, but if you take the typical serious criminal, and that is the individual who normally has failed at home or his home has failed him, has failed in school or his school has failed him, or has failed with his peer group or that group has failed him, where does he go? He sits at home watching television every day and thinks the whole world is flying to Hawaii and having a great time. He is sitting there with this sense of frustration, and when he is exposed to a film such as that movie "Taxi Driver", or other dramatic cases of crime, he then says, "I am going to go out and get some attention. I am going to get my piece of the action."

It is long overdue that we took a very careful look at some legislative guidelines regarding the kind of violence in the media to which we expose our children and other members of the public.

Let me now turn again to the question of capital punishment. After looking at the evidence and after considering the question of safety to the public, and I may say that I have studied it as intensively as I can, I am still of the opinion that there is no place for the death penalty, not only because it may not be worthy of the kind of civilization we are living in—and I do not believe that out of any sense of arrogance or moral superiority—but because there is no evidence that it will provide a deterrent, and there is no evidence that it will reduce the number of murders in our society. In fact the evidence is the other way. There is a considerable body of very persuasive evidence that the death penalty increases the murder rate by exposing the public to the risk of murderers being acquitted by juries who apply the standards of our criminal law which have been so time honoured.

The hon. member for Central Nova (Mr. MacKay) indicated this afternoon, in favour of the principle of retention, that the safety valves within our judicial system are so extensive the capacity for error is almost infinitesimal or minimal. The facts are that when we examine some of the more dramatic cases which have led to a more widespread call by the public for a return of the death penalty, and some of the cases of the past, we still have the very uncomfortable feeling that we may have gotten the wrong man. Let me give you a couple of examples.

I suppose one of the most famous cases took place in my own riding, the case of the murder of Tanya Busch, the daughter of a guard. A man called Head was charged with the murder. It was a particularly vicious, rotten, and violent thing. In this case there was no eyewitness, and I believe two of the Crown witnesses changed their stories. There was no confession. I ask the public and I ask this House to consider whether, given those facts, and given the warning that a judge usually has to give the jury to satisfy itself beyond a reasonable doubt that the circumstances are not only consistent with the guilt but inconsistent with any other rational conclusion, even with capital punishment, that jury would have in fact convicted Gary Head of that murder. In the Saskatoon murders a similar situation occurred. This involves the whole question of dealing as an individual with a case rather than as a group of 200 people who may say, "Yes, bring back the death penalty because that is clearly the right answer." When you have 12 men sitting on a jury they start to act very differently. They assess the evidence, as it is their duty to do.

I can tell you that without exception those lawyers who have been involved in any kind of extensive criminal practice on the defence side will indicate that they prefer the death penalty if their purpose is to obtain an acquittal. The problem continues to be that a jury of 12 looks at a man for up to two weeks, and then has to make the decision.

I do not think we should do anything to abandon the jury system. It works and it works extremely well, but with the death penalty it works less well. The chance for an error by the jury, and the chance of acquittal of a person who is a murderer and who should be taken away from the public for its protection, with the death penalty in place in fact work in reverse to the detriment of the public.

The death penalty is not a deterrent. If you look at those societies which from time immemorial have continued to use the death penalty you will find they are consistently less safe than the one in which we are living. For instance, let us take Brazil, Spain, and Argentina. In Spain they impose the death penalty. In fact they have a vigilante gang running around imposing the death penalty in Brazil, and that does not help their society.

The public is entitled to some solution, but the problem with this long debate on the death penalty is that it deflects our judgment and our attention away from the cause of crime. As long as we continue to agonize on the death penalty or no death penalty we are wasting time in the sense that we should be dealing with what is happening within our society, trying to find out why it is tearing apart and why we have this dramatic increase in all kinds of crime. The fact is that we have done little or nothing about drug abuse. A large percentage of violent crime is related to the drug trade and we have done nothing about it. We have done nothing about alcohol. We continue to sell alcohol and governments continue to support themselves from the revenue.

May I call it six o'clock?

Mr. Deputy Speaker: It being six o'clock, I do now leave the chair until eight o'clock tonight.

At six o'clock the House took recess.

AFTER RECESS

The house resumed at 8 p.m.

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

Hon. Donald S. Macdonald (Minister of Finance) moved:

That this House approves in general the budgetary policy of the government.

He said: Mr. Speaker, to commence, I would like to express my thanks to my colleagues, and to the officials in my own department and of the other departments and agencies, for their assistance to me in this my first budget. May I express my appreciation also to members of this House who directly, or by correspondence, have made requests or suggestions on behalf of constituents, and to the many hundreds of Canadians who, through the year, but particularly in the last several months, have made representations concerning a wide variety of changes in our fiscal system.

Though I am completing my fourteenth year as a member of parliament and have witnessed as many budgets, still there were some surprises for me in the task of budget making. One of these has been the extent and variety of changes large and small sought in our tariff and tax system. Each of these is assessed by my officials, they are grouped for discussion and then hundreds of items cross the Finance Minister's desk for final decision. In that pre-budget period, the Finance Minister acquires a nationwide perspective into an apparently inexhaustible variety of personal situations, commercial circumstances or fiscal problems as they affect Canadians.

I am conscious that though some will be gratified by changes arising from this evening's announcements, many will be disappointed that their requests could not be met. I regret being the source of that disappointment but equity, administrative necessity, and a wider public interest have rendered it impossible to satisfy all requests.

Before proceeding with my budget statement, and with the permission of the House, I would like to table a number of supplementary budget papers which provide extensive background material relating to some of the more important measures. I would also like to table a number of Ways and Means Motions and ask that they be appended to Votes and Proceedings. I would ask that the supplementary tables on the government's accounts be appended to today's *Hansard*.

● (2010)

Mr. Speaker: Is the House agreed that the minister table certain documents? Is it so agreed and ordered by the House?

Some hon. Members: Agreed.

[*Editor's Note: For notices of ways and means motions, see today's Votes and Proceedings*].

[*For tables referred to above see Appendix A*]

Mr. Macdonald (Rosedale):

The International Economy

I would like first to set the stage for my remarks on the Canadian economy by reviewing some of the major economic developments taking place on the international front. These have important implications for our own country as a major participant in world trade and capital markets.

The international economy is launched on recovery from the depths of the worst recession since the great depression of the 1930's. The output of the industrial nations making up the Organization for Economic Co-operation and Development stagnated during 1974 and declined sharply at an overall annual rate of 5 per cent during the first half of last year. This decline, fortunately, was arrested by mid-year, and with the United States in the lead, the prospect for strengthening recovery seems well-assured.

The severity of the recent recession was due in large part to the impact of soaring inflation around the globe earlier in the 1970's. From early 1973 spiralling price increases contributed to a substantial reduction in consumer spending, investment, output and employment in the world at large. This process was halted only slowly and eventually reversed as the run-down of inventories ran its course, as automatic economic stabilizers like social security came into play, and as governments injected strong stimulus into their economies. With the revival under way the OECD was able last December to forecast that real output among the industrial nations would rise by 4 per cent in 1976. Since the time of that forecast the world prospect has improved further.

While this strengthening recovery is welcome, the problem of deep-seated inflation persists. Although the rate of increase in consumer prices has slowed significantly, it still remains much too high. The world community continues to face the twin tasks of bringing the rate of inflation down to acceptable levels and maintaining a healthy growth of output, employment and real incomes.

One direct result of world-wide recession was a fall of 6 per cent in the volume of international trade last year. The imports of the industrial nations in particular dropped faster than their exports, and their current account deficits declined sharply from $33 billion the previous year to $6 billion. This reduction was mirrored in the decline of the surplus of the oil-producing nations. Unfortunately, the balance of payments position of the non oil-producing developing nations worsened.

The disruptions of the past few years have severely tested the strength of the institutions and practices of international co-operation built up over the past generation. Happily these did not fail us. On the whole the major countries have refrained from solving their problems at the expense of others. Essential joint action was taken on a number of different fronts—in the General Agreement on Tariffs and Trade, the International Monetary Fund, the World Bank, the OECD and other organizations.

Last January the Interim Committee of the International Monetary Fund, of which Canada is a member, reached agreement on significant reforms in the international monetary system. The government considers that these reforms will facilitate the expansion of world trade and investment. They will help to ensure orderly conditions in exchange markets and smoother balance of payments adjustments. The reforms will be embodied in important

amendments to the IMF Articles of Agreement. Later this year the government will be presenting to parliament amendments to the Bretton Woods Agreements Act for the purpose of securing parliamentary approval for these changes.

The severe economic difficulties of many of the developing countries have led to intensified discussion concerning the evolution of a new international economic order. This discussion is taking place at present in the meetings of the Conference on International Economic Co-operation in Paris and in the United Nations Conference on Trade and Development in Nairobi. We are playing an active part in both world arenas, as well as participating fully in the preliminary stages of the multilateral trade negotiations now gathering momentum in Geneva. The year ahead promises to be one of exceptional challenge, as we are called increasingly to adjust to new trends and pressures in our relations with the interdependent world community.

The Canadian Economy

Against this brief review of the international setting, I turn now to the economic situation and prospect here at home.

As a country which depends heavily for its livelihood on exports, we were inevitably affected by the deep recession experienced by our major trading partners. During 1975, the volume of our merchandise sales abroad declined by nearly 7 per cent, with obvious effects across the whole economy. A substantial drop in total real expenditures on housing construction also occurred, even though the number of housing starts rose significantly during the course of the year.

Despite the adverse impact of these developments and the run-down of inventories, I want to stress that the performance of the Canadian economy in terms of output, employment and real incomes exceeded that of virtually every other industrial nation. This was mainly because of the sustained strength in outlays of consumers, business and governments.

Given the basic tendency of the Canadian and American economies to move in parallel, the contrast between our two countries over the recent period is particularly noteworthy. In the United States, the gross national product in real terms declined by 1.8 per cent in 1974 and by a further 2 per cent last year. Canada, in contrast, achieved a real growth of 2.8 per cent in 1974, and successfully staved off any decline last year. Employment south of the border fell by about 1.3 per cent in 1975; in Canada it rose by nearly 2 per cent. Over the same period, while unemployment rose to 6.9 per cent in Canada, in the United States it reached an average level of 8.5 per cent.

Real income received per person, after payment of direct taxes and after allowing for higher prices, advanced by 2.5 per cent in Canada in both 1974 and 1975; in the U.S. it declined in both years. Over the longer span from 1971 to 1975 real disposable income per capita has risen by almost 18 per cent in Canada, three times the increase in the U.S.

In real terms, Canadian business investment in plant and equipment grew by 4.7 per cent last year, to a level 40 per cent higher than that in 1970. In the United States it decreased by 12 per cent to a level that was only 2 per cent above that of five years ago.

[Mr. Macdonald (Rosedale).]

[*Translation*]

Our better record in weathering the economic storms of the past three years compared with almost any other country in the western world was not just accidental. One of the important factors was our relatively more favourable position in petroleum supply. That made it possible for the federal government to cushion the economy against the immediate harsh impact of the four-fold jump in world oil prices. But undoubtedly the major factor was the concerted and far-reaching action by both federal and provincial governments to sustain output, employment and real incomes in the face of severe inflation and recession abroad.

During the course of 1974, fiscal and monetary policies became more expansionary. Federal policies, including further major tax reductions, were strongly reinforced by provincial governments. Automatic stabilizers in the economy such as unemployment insurance also played their role, helping to soften the impact of unemployment and buoying up the economy as a whole.

Given these circumstances and deliberate policy decisions, the fiscal position at all levels of government swung heavily into deficit last year. I would re-emphasize the point that if these expansionary policies had not been adopted, the Canadian economy would have experienced a much more severe recession than in fact it did. Recovery, though slow, has been underway for almost a year now, and the pace has started to quicken.

Nevertheless, it is also true that the relatively better performance of the Canadian economy has in itself served to intensify some of our current problems.

● (2020)

[*English*]

In 1975, a domestically-fueled spiral of costs and prices increasingly became the major source of continuing strong inflationary pressures. Understandably, individual Canadians scrambled for substantially increased incomes to catch up with others, to keep up with inflation, or to protect themselves against the risk of even more rapid inflation in future. Canadian salaries and wages began to rise at much faster rates than in the United States, our major market and our major competitor. The advance of prices in Canada also began to outpace that south of the border. This cost-price spiral posed an increasingly serious threat to the competitiveness of the Canadian economy, particularly at the stage when recovery in the United States and other countries from lower bases would provide them with the opportunity to achieve much larger productivity gains. While we may have weathered the recession better than the United States we will be hard-pressed to keep up with U.S. economic performance in its present period of rapid recovery and slower inflation.

Moreover, during 1975 Canada encountered a current account deficit with other countries of nearly $5.1 billion, a sharp deterioration from the deficit of $1.6 billion the previous year. This swing was largely a reflection of the higher level of demand sustained in Canada than abroad, with the resulting faster growth in our imports as compared with exports. There is every reason to expect that our exports will pick up strongly as recovery proceeds

abroad, but we must be aware that their recovery could be adversely affected by our reduced competitive edge.

The relatively high interest rates prevailing in Canada also stem basically from the divergent course last year between domestic and international economic conditions. In particular, they reflect today a combination of factors—notably the continuing high rates of price increase, a strong demand for credit and the deliberate steps taken by the Bank of Canada to lean against inflation by moderating the growth of the money supply.

Over a period of many months, the crucial national need has been to gear down the rate of inflation without impeding economic recovery. To this end, over a year ago the government sought to develop a consensus, particularly with labour and business, in support of a program of voluntary restraint on prices and incomes. Unfortunately, as we all know, that effort was not successful. By last fall, in assessing both that experience and the dangers confronting our economy, we came to the conclusion that extraordinary steps would have to be taken to get us back on the course of full employment without inflation.

The anti-inflation program announced by the Prime Minister (Mr. Trudeau) on October 13 contained four closely-related elements—fiscal and monetary policy, government expenditure policy, structural policies and prices and incomes policy. I turn now to consider the evolution of policy on each of these strategic fronts.

[*Translation*]

Prices and Incomes Policy

The major new element in the Attack on Inflation was a set of guidelines for the setting of prices and incomes. All Canadians were asked to abide by them, and provision was made for mandatory control over the larger economic units within our economy. The essential purpose was to change expectations and to bring about a quicker response to the program as a whole, so that the fiscal, monetary and other general policies would in fact bring about real growth and declining inflation.

In the past seven months, the program has become fully operational and has begun to take effect.

The actual rate of inflation has slowed noticeably since the introduction of the program. In April of this year, the consumer price index was 8.9 per cent higher than a year previously, whereas in October last the year-over-year increase was 10.6 per cent. The seasonally adjusted CPI increased at an annual rate of 6.3 per cent from October to April of this year, whereas it had increased at an annual rate of 11.7 per cent in the preceding six months. This sharp reduction in the rate of price increase is very welcome.

A major factor has been an actual drop in the average price of food. Lower prices of some imported foods and the decline in livestock prices have resulted from market forces rather than the guidelines. The program has, however, ensured that these decreases in costs to the processing and distribution sectors were passed on to the consumer.

In the case of prices for goods and services other than food, there have been significant factors beyond the scope of the program tending to raise the rate of increase in recent months. These have included increases in retail sales taxes and other taxes, higher charges for public services and the rising costs of home ownership.

On the other hand, firms have been very cautious in raising prices in order to be certain that they are complying with the program. In a number of cases, firms have responded to requests by the Anti-Inflation Board to reduce proposed price increases. There has been a deceleration in those non-food prices that are subject to the controls.

With respect to wages and salaries under the program, I have tabled tonight a summary of preliminary data on compensation prepared by the Anti-Inflation Board. These figures show that compliance with the program is widespread. They demonstrate that even in the first six months of the program almost two-thirds of the wage proposals reported to the Board are within the arithmetic guidelines. Of the proposals only a small percentage are significantly above the guidelines and the Board is restraining them effectively. Thus, the record to date indicates that for all groups subject to the mandatory controls, average increases in compensation are only 1 per cent above the level provided for in the arithmetic guidelines. Given the significant improvement on the price side, these lower rates of compensation increase still represent sizeable real gains in income.

● (2030)

[*English*]

Mr. Speaker, the program is off to a reasonably good start. We feel a strong sense of responsibility to all those who have already contributed to the success of the program. They have every right to expect that others should be similarly restrained, and that the program should successfully bring the rate of inflation down to the target level.

Based on our experience to date, we have now come to the view that the regulations applying to prices and profits should be revised in order to achieve greater equity and effectiveness. Some firms are subject to insufficient restraint because in practice they have been able to choose which rules are favourable to them. Others are locked into very unfavourable starting positions and therefore have been subject to unreasonable restraints. The result is unfair treatment as between firms in competition with each other. Overall, this has created the danger that prices may be inadequately restrained in the future.

As a result of the detailed information supplied under the regulations, the Anti-Inflation Board has been able to complete an extensive analysis of the way in which the rules apply to the business community. The government has concluded that a number of important changes should be made. The details of the changes are described more fully in a supplementary paper, but I should like to summarize the highlights.

Let me begin by describing how the revised price and profit rules will apply to firms other than those in the distribution business. At present, not all firms are required to meet a profit margin test. Under the new rules, all firms will be required to do so. In justifying a price increase, they will be obliged to take into account not just increased costs, but the implication of the price increase on their profit position. Experience has now shown that a test

based on profits has two advantages. First, it gives the Board a more effective regime to control prices. Second, it leaves everyone basically on the same set of rules and is therefore more equitable.

The new rules will be of particular assistance to many small firms which do not have sophisticated cost accounting systems.

Under the profits test, firms will not be able to set prices in a way which would increase their net pre-tax profits as a percentage of sales above an allowable level. That allowable level will be determined with reference to earnings in a base period. The base period margin is now the average margin in the five-year period ending prior to October 14, 1975. In order to provide a greater measure of fairness among firms, it is proposed that the base margin should be the greater of that calculated under the present rules and the margin earned by the firm in its fiscal year ending before May 1, 1976. For most firms this will be calendar 1975. At the same time, in order to ensure the over-all degree of restraint, it is necessary that the allowable margin be reduced from the present 95 per cent of the base margin to 85 per cent.

Firms will also be required to meet this margin test on each of their product lines as well as on their overall operations. Experience has shown that the product line test is the closest rule to actual business practice for most firms.

There will remain firms whose base margins are too low, whichever time period is chosen. In order to provide some relief for these firms, it is proposed that they be permitted to earn a minimum rate of return. The precise provision will be contained in draft regulations to be issued shortly. Similarly, at that time details will be provided relating to specific pricing and productivity rules.

Within this improved framework of rules, the Anti-Inflation Board will place greater emphasis on price justification. More firms will be required to notify the Board of proposed price increases and to justify them.

I have so far described the proposed revisions of the rules applying to non-distribution firms. The changes proposed for distribution firms are similar but less extensive. As now, they will be required to meet a net margin test on their whole business. In applying the net margin test, they will have the same choice of base period as other firms. However, because of this flexibility, they will be permitted to earn only 95 per cent of the base margin rather than 100 per cent as now. The gross margin test will be 100 per cent of their base year margins as now, but will be applied to product lines rather than on an over-all basis. Distribution firms with low base margins will also have access to the provision for a minimum rate of return.

Certain other changes in the regulations which affect the construction industry, trappers, fur farmers and the land development business are outlined in the supplementary information.

I also wish to announce certain changes in the rule referred to as the "restricted expenses" provision. This provision places a limit on the extent to which increases in certain expenses are allowed as costs. Political contributions will be added to the list of expenses subject to this restriction. On the other hand, charitable donations and approved expenditures for research and development will be removed from the list of restricted expenses.

It should be emphasized that the new rules represent a logical and evolutionary development of the present rules relating to prices and profits. They will ensure that the pricing behaviour of firms will be consistent with the general price targets which we have set for ourselves, without reliance on arbitrary powers of direction.

I have asked the Anti-Inflation Board to release as soon as possible a draft of the regulations incorporating all these changes. In order to ensure that the new rules will operate as smoothly and as effectively as possible, they will not become operative until July. Appropriate transitional provisions will be included in the new regulations.

There is one further aspect of the program which requires consideration. Out of a concern to ensure that all income increases were restrained, the rules have prohibited companies from increasing their dividends, except in special circumstances, for the first year of the program. Obviously, this freeze cannot be extended indefinitely. Hence, effective October 15, 1976 and thereafter until further notice, companies will be permitted to increase their annual dividends by 8 per cent.

Before I leave the subject of the prices and incomes policy, Mr. Speaker, let me pay tribute to all those in the private sector and in government who have worked so hard in this major national effort. We are particularly indebted to the Honourable Jean-Luc Pepin, Chairman of the Board, Mrs. Beryl Plumptre, Vice-Chairman, and other members of the Board and its staff, who have applied impressive skills and complete dedication to their tasks. Provincial ministers of all political parties and officials have given us both their support and valuable advice. I know that all involved feel sustained by the knowledge that the great majority of Canadians are solidly behind them.

Structural Policies

Beyond the introduction of a temporary program of controls, the White Paper of last October drew attention to the need for underlying structural adjustments in our economy. Such adjustments are essential if we are to win out against persistent inflation. In many ways, this is much the most difficult terrain of all. It raises fundamental problems of how to assure the most effective functioning of our mixed economy, and how to grapple with those social and institutional forces which make for continuous upward pressure on the general price level. These are the broad objectives which we must seek in looking forward to the removal of controls and in the post-controls period and beyond.

The government's work in this connection will be much advanced by the time of the opening of the next session of parliament, and we anticipate a wide-ranging public dialogue. In addition to the central focus of debate in parliament, the government is looking forward to meeting with all major groups in the community.

Mr. Clark: That will start next New Year's.

Mr. Macdonald (Rosedale): In that connection, preparations are already underway to meet the Canadian Labour Congress. The statement issued at the recent convention of the Congress makes clear its determination to press its

views and interests in the formulation of social and economic policy in this country. The views and interests of all groups in our society must be heard. While government cannot abdicate its responsibilities, the growing complexity of our society requires that there should be every opportunity for consultation and the reconciliation of differing interests.

● (2040)

At this time, I propose to touch upon only those structural problems where immediate initiatives are being taken.

Energy Pricing

The first of these is in regard to energy prices—particularly oil and natural gas. The main message of the government's recent paper "Energy Strategy for Canada" is clear—energy is becoming more costly in the world and in Canada. The full impact of this trend on Canadians has been moderated thus far by our national policies for oil and gas. But Canada still has a long way to go in economizing in the use of energy and in developing new energy supplies.

The government has recognized the necessity of allowing prices of oil and gas to rise at a measured pace toward world levels. The need to encourage production and conservation and to ease the fiscal burden on the government points toward larger and faster increases of energy prices. But the need to slow down the rate of inflation, sustain output and employment and limit the immediate burdens on families of moderate means points toward smaller and slower increases. Regional considerations have to be balanced as well.

Having regard to all these considerations, my colleague, the Minister of Energy, Mines and Resources (Mr. Gillespie), has announced that the wellhead price of oil in Canada will increase by $1.05 per barrel on July 1, 1976 and by a further 70 cents on January 1, 1977. Natural gas prices will continue to be set on the basis of 85 per cent of the energy equivalent of oil. The price of natural gas delivered to Toronto will rise by 15.5 cents per mcf on July 1, 1976 and by a further 10 cents on January 1, 1977. There will be some delay before consumers feel the impact of each of these changes. I might note that the increase in revenues to the oil and gas producing provinces will result in higher equalization payments by the federal government to lower-income consuming provinces. Their increase over the 12 months beginning this July will be about $60 million.

I would like to emphasize the broad range of the policies followed by the government to encourage energy conservation and the development of new supplies. In order to discourage private use of gasoline and to help defray the cost of the import subsidy, a special federal excise tax was introduced last June. I will be announcing further new measures tonight to reinforce the energy conservation program developed by the energy minister. The government is strongly committed to active programs of oil and gas exploration and development through its participation in Panarctic, Syncrude, Petro-Canada and the Canada Development Corporation. The new northern oil and gas regulations are designed to speed up exploration and development. The income tax régime which we have evolved in recent years has provided major incentives for exploration. I would stress that for every dollar that the price of oil and gas goes up, the federal government will receive only three cents in income tax if producing firms make full use of the incentives for exploration. Further incentives are provided in this budget.

The Pricing of Government Services

A second important area for structural adjustment relates to the question of the pricing of government services.

The high rates of cost increase of recent years have led to rapidly growing deficits in the financing of many of these services. This has meant that only part of the costs have been covered by the users of the service, with the balance borne by the general taxpayer. In the absence of necessary adjustments in charges, the cost borne by the general taxpayer will continue to increase. This prospect of increasing deficits carries with it financial and economic implications which are particularly important over the longer term.

On the financial side, the growing cost to government can be met only through government borrowing or through increases in the level of general taxation. There are obvious limits to the extent to which the borrowing route can or should be followed. A further general tax increase may give rise to as much pressure on the general level of prices as an increase in specific charges. While careful attention has to be given to the objectives of the anti-inflation program, undue delay in needed price increases will simply enlarge the deficits and make it harder to pay our way in the future.

In economic terms, if prices charged do not adequately reflect real costs there will be a tendency towards inefficiency and waste in the use of the country's resources. Heavy subsidies erode the incentive for the development of more efficient ways of providing service. We must therefore encourage greater cost consciousness, not only in the provision of these services, but also in their use.

In recent months a number of provinces, confronted with large and growing deficits on particular services and in their over-all budgetary positions, have felt impelled to increase user charges. The federal government also faces rapidly growing deficits on a number of general and specialized services. Heavy transportation subsidies are being examined to ensure that they serve a social purpose without impeding the development of efficient systems.

In the case of the post office, my colleague the Postmaster General (Mr. Mackasey), last week announced necessary increases in postal rates. These increases have to be implemented in view of the rapidly accelerating deficit on Post Office operations, which has grown from less than $100 million in 1971 to an expected level of some $700 million this fiscal year in the absence of the rate adjustment. The proportion of costs borne by users of the Post Office has declined from 88 per cent in 1971 to less than 50 per cent this year. The effect of the rate changes will be to retard but not reverse the growth of the postal deficit. For the next fiscal year, the new postal rate structure will mean that the over-all deficit will be some $200 million less than it otherwise would be.

[*Translation*]

The Efficiency of the Economy

The productivity of the Canadian economy declined in both 1974 and 1975. While some decline is typical of a recession, this experience has raised concerns that the underlying growth of productivity—which is the basis for rising standards of living—may be slowing down.

Lest we jump to conclusions too quickly, we should recognize that there are particular problems of measuring productivity, especially in the service industries, which are becoming ever more important. But there can be no doubt of the importance of rising productivity and efficiency if we are to achieve our economic and social goals in the longer run. The government is giving urgent attention to the whole range of policies which can be brought to bear in fostering productivity.

Many measures have already been put in place to stimulate capital investment. I am thinking particularly of the manufacturing incentives, the investment tax credit introduced in the last budget and the various programs by which the government provides financing directly for energy development, transportation, small business, farming and fishing. These measures have helped to sustain high levels of business investment in Canada. However, the encouragement of business investment is only one part of a productivity policy which must be concerned with encouraging greater efficiency in the use of all factors of production.

A major objective in pressing ahead with the development of our competition policy is to promote efficiency. I will be announcing tonight a further extension of the tax concession to small Canadian businesses to enable them to grow and compete more effectively with large firms. Our negotiators at Geneva are pressing for the further liberalization of trade. This will provide more opportunities for Canadian industry and encourage it to improve its efficiency. The government will be ready to help.

[*English*]

One of the best ways to increase productivity is to encourage the development of high technology and innovative new processes. This is a high-risk business and it is difficult to attract venture capital into it. However, it is one which is of great potential for improving the growth rate of the economy.

The federal government already contributes to this process both through a variety of direct expenditure programs and through existing incentives in the tax system. Nevertheless, it has been proposed that more assistance is needed and that the best way to provide this encouragement is through additional tax incentives. It is argued that this catalyst is needed to bring together pools of venture capital and Canadians with new and innovative ideas.

● (2050)

I am sympathetic with these objectives and am willing to explore avenues to achieve them. However, I am not satisfied that we have yet found an efficient and workable solution to what is commonly referred to as the venture capital problem. Clearly, what is needed is a tax regime which will help do the job effectively but efficiently.

I have already instructed my officials to study this matter on a priority basis. I intend to consult with the provinces to gain the benefit of their thinking and work in this area. I am also anxious to hear from people who are interested in and knowledgeable about this issue and I invite Canadians to write in their proposals. If we can find the right answers, we will be quick to act.

Finally, to refer to another important part of the financial system, the government's proposals on the decennial revision of the Bank Act will be brought to the House later in the year. This will afford us an occasion for broad consideration of the task of financing the Canadian economy.

Employment and the Labour Force

We have of course a special interest in improving the functioning of the labour market in Canada. The Economic Council's recent study, entitled "People and Jobs", provides valuable insights into the structural problems of employment and unemployment in Canada. It analyzes the flows of people into and out of the labour force, from job to job and between unemployment and employment. This analysis documents the tremendous size and complexity of labour market change which takes place in Canada each year. Structural and frictional unemployment, which arises in this process of change, has increased substantially in Canada during the last decade. It reflects both institutional changes and the increased participation of youth and women in the work force. Better information on job opportunities, improved training and creation of the right kind of jobs are important means of reducing structural and frictional unemployment. The Council's study recognizes that manpower and direct employment policies and the unemployment insurance program have all made useful contributions toward dealing with these problems. It concludes, however, that all of them can and should be improved.

Unemployment arises not only from structural change but also from fluctuations in economic growth. The primary means of reducing unemployment due to periods of slow growth lies in the maintenance of adequate over-all demand. However, the experience of many countries in recent years underlines the danger of setting targets for unemployment too low or trying to reach them too quickly. If we are to sustain economic growth and job creation while simultaneously bringing down the rate of inflation, demand management policies and policies to improve the functioning of the labour market must go hand in hand.

Canada has been a leader in the recent development of direct employment programs. These programs have created jobs to alleviate the most severe problems of seasonal and regional unemployment. They have assisted those groups which are most likely to be without work for periods of time. We believe we have demonstrated that these jobs can have broad social value and are not simply "make-work". We continue to believe that there is a need for such selective programs of job creation if we are to be able to bring the rate of unemployment down without generating new inflationary pressure. They have to be adapted to the changing structure of the labour market, and to the need to obtain the maximum impact from the limited resources which can be made available within the framework of expenditure control.

Last year's budget speech noted that the continuing review of the unemployment insurance legislation had identified a need to strengthen certain aspects of this

program. To meet these needs, a number of changes were incorporated in Bill C-69, which has now become law. During the debate on this bill, it was noted that further changes to the Unemployment Insurance Act would be brought forward as the review progressed. As a result of this review, my colleague, the Minister of Manpower and Immigration (Mr. Andras), will introduce legislation proposing a number of significant initiatives. These changes are designed to make the unemployment insurance system more equitable and dynamic, more responsive to regional unemployment conditions, and less costly. They are also designed to encourage those with jobs to stay with them and those who are unemployed to seek suitable jobs.

Three main changes will be introduced relating to unemployment insurance benefits:

First, the present requirement for eight weeks of insured employment to qualify for benefits will be increased to 12 weeks. This amendment is intended to reflect the changes which have taken place in the Canadian labour market in recent years. These include the increase in the number of people who have only a marginal attachment to the labour force and who thus have less of a claim for the protection of unemployment insurance.

Second, the number of weeks during which benefits may be drawn will be more directly related to the number of weeks worked. In addition, regional extended benefits will be related in a more sensitive manner to the level of regional unemployment.

Third, severance pay will be treated as savings and as such will not affect a person's eligibility for unemployment insurance benefits.

The act will also be amended to permit the payment of unemployment insurance to beneficiaries on a discretionary basis where they take part in such activities as selective employment, training or short-time work programs. My colleague will elaborate on this new concept of adding an important thrust to the over-all insurance system.

The Minister will also elaborate proposals to integrate the administration of the unemployment insurance system with the programs and services of the Department of Manpower and Immigration. We believe the time is ripe to have a common organizational setting in order to promote even greater effectiveness in administration and to enhance the quality of employment services to Canadian workers.

[*Translation*]

Federal-Provincial Fiscal Relations

Finally, Mr. Speaker, a basic structural element in this country is the financial relationship between the federal and provincial governments. We are engaged at present with the provinces in discussion of the Federal-Provincial Fiscal Arrangements Act and shared-cost programs.

My views on the fiscal arrangements that should apply in the post-1977 period are on record. They were discussed with my provincial counterparts at the April 1 meeting, and tabled in the House on the same day. Thus I can simply note the way in which our position fits in with our overall policy.

I want to preserve the principle that the federal and provincial governments should be free, in their taxing and spending activities, to discharge their respective constitutional responsibilities. On the revenue side this means access to sufficient fiscal resources. There is, of course, a need for a great co-operative effort if we are to maintain a uniform national tax system. But fiscal freedom and responsibility are also essential for the control of expenditures and the efficient provision of public services.

Equalization payments must be retained as a continuing and central feature of the ongoing system of fiscal arrangements. We are committed to this. Our objective is to help the less affluent provinces provide reasonable levels of service. But equalization and other transfers to provinces impose a heavy burden on Canadian taxpayers generally. Costs must be kept within acceptable bounds and the ability of the federal government to finance the program through its own revenue sources must be protected.

Over the past 10 to 15 years, shared-cost programs have been a major instrument in the development of a high level of public services across the entire country. In such fields as health care, social welfare and post-secondary education, Canadian citizens have benefitted greatly from these programs. However, as some of these programs have matured, the financing and administrative arrangements built into them have not left enough room for improvements and efficiencies. As a result, costs threaten to outrun the financial capacities of both the federal and provincial governments. For the federal government, these open-ended cost-sharing arrangements have raised many problems in the allocation of limited funds for national needs and priorities. A better method of providing these essential services to the Canadian people needs to be found and, to this end, discussions have been held between the federal government and the provinces. They will continue as a matter of high priority.

● (2100)

[*English*]

Government Expenditure Policy

I come now to the third principal element of the anti-inflation program—the limitation of the growth of government expenditure and of public service employment.

In recognition of the widespread feeling among Canadians that present circumstances demand restraint in government spending, the government has stated that the "trend in total spending by all governments in Canada should not rise more quickly than the trend in gross national product." Two aspects of this objective should be stressed.

First, it is not put forward as a short-term goal: a brief slowdown in the rate of expenditure growth to be followed by a resumption of excessive growth. Rather, it is put forward as a basic change in the trend of expenditure increase. This guideline is stated in terms of trends in view of the stabilizing role which actual government expenditure should play as the GNP grows more quickly or more slowly than its trend in any particular year. In a period of slow growth, it may be appropriate for government expenditure to rise more rapidly than GNP. In a period of strong economic expansion government expenditures should grow more slowly than GNP.

Second, the objective does not imply an indiscriminate slashing of programs. Such an approach would have disruptive effects on the economy, bear harshly on many people and impair the efficiency of government in providing essential services to the public.

Our objective, then, is to achieve a major shift in the pace of growth of the government sector, in a deliberate, sustained fashion. This lay behind the cuts in planned expenditures for the 1975-76 fiscal year announced in the last budget, and the cuts in planned expenditures for this fiscal year announced by my colleague, the President of the Treasury Board (Mr. Chrétien), on December 18. It was made clear on both occasions that unavoidable cost escalation in a number of programs had made such action necessary. We have recognized the need for action not just in the government's own manpower and operating expenses but also in major program areas. Some grant programs have been eliminated completely and strict ceilings have been imposed on many others. Measures have been taken to reduce the cost of unemployment insurance to the taxpayer. Ceilings have been placed on the growth in the federal contribution under certain federal-provincial shared-cost programs. Government financing of Crown corporations has been curtailed and in this regard, we have decided upon a further deferral of the proposed Federal Mortgage Exchange Corporation.

To achieve our expenditure control objectives, the introduction of new programs must be kept within careful limits and the resources required for the continued operation of existing programs must be minimized. A number of recent developments should help us achieve this goal and help parliament and the public monitor progress. One of the few areas in which provision has recently been made for a significant increase in staff is in the Office of the Auditor General. I trust the expanded capacity of this office will encourage the efficient use of resources by departments. In a report tabled last year, the Auditor General expressed concern over the adequacy of certain aspects of the government's system of financial management. The government is responding to these recommendations by establishing a separate branch of the Treasury Board secretariat responsible for all aspects of financial management. Additional changes have been made which will strengthen the effectiveness of the Treasury Board through centralizing responsibility for control of outlays in its hands. The Treasury Board itself is reviewing all proposals for increased expenditure before they are approved by cabinet.

In our expenditure planning, we have focused on total outlays, including both budgetary expenditures and loans, investments and advances. Total outlays increased by 28 per cent in 1974-75 and 18 per cent in 1975-76. I should note that the preliminary estimates of total outlays for 1975-76 are somewhat higher than the President of the Treasury Board and I expected earlier this year. A major contributing factor was a decision to permit our enterprises engaged in energy and export development to obtain financing from us somewhat earlier than had been anticipated. While this has increased the growth rate of expenditures in 1975-76, it has helped to reduce it in 1976-77. Based upon planned total outlays of $42,150 million, our target rate of increase for this fiscal year works out at about 14 per cent. Our forward planning for 1977-78 is based on a growth rate of the order of 11 per cent. For both 1976-77 and 1977-78, these increases are less than the expected growth of the GNP.

[Mr. Macdonald (Rosedale).]

I wish to remind the House that my colleague, the President of the Treasury Board, is holding the increase in the public service to 1.5 per cent this fiscal year. This is substantially below the growth rates of earlier years. Given the need to add significant numbers of policemen, prison guards and postmen to the payroll and the need to maintain other essential protective and regulatory services in a growing economy, the strict manpower ceiling is requiring most departments to freeze or actually reduce the number of employees in less essential services.

It is a fact of life that the scope for expenditure control increases as one looks further into the future. It proved very difficult to cut back on our expenditures in 1975-76 once the year was already underway. We have been able to get on track for 1976-77. We hope to consolidate our gains in 1977-78. We believe we have put in place the planning and control systems which will ensure that these targets are met.

Fiscal and Monetary Policy

Finally, the anti-inflation program requires that fiscal and monetary policy be aimed at increasing total demand and production only at a rate consistent with declining inflation. In the White Paper of October 14 I stated that "the success of the government's whole program for achieving a progressive lowering of the rate of inflation, together with a sustained recovery of the growth output and employment, will depend crucially on its success in keeping the over-all level of demand in the economy growing at a pace consistent with successively lower rates of price increase."

The monetary policy of the Bank of Canada has been set out by the governor in his 1975 Annual Report and in recent speeches. It carries my full support. Last autumn the Bank announced an initial target for the growth of the narrowly-defined money supply in the range from 10 to less than 15 per cent and the rate of increase since the second quarter of 1975 is now at the lower end of the range. The Bank has indicated that its target range, which allows for the continued real growth of the economy, will have to be lowered over time so that the rate of monetary expansion will be consistent with the price-level objectives of the prices and incomes policy.

This monetary policy, in its refusal to underwrite continuing high rates of inflation, is helping to destroy expectations that they will continue. It requires that we should expect variations in interest rates and the exchange rate. While we would all like to see lower interest rates, the way to bring them about is to reduce inflation. In the most recent years, the level of interest rates has not been high enough to maintain the real value of the money which Canadians have deposited in banks or invested in Canada Savings Bonds or other financial assets. The strengthening of the exchange value of the Canadian dollar, due in no small measure to high domestic interest rates, has increased the challenge faced by Canadian firms competing in world markets. At the same time, it has lowered the cost of the goods and services we buy from other countries and has thereby contributed directly to the success of the anti-inflation program.

The goal of fiscal policy is the same as that of monetary policy—to manage the increase in demand in a way which is consistent with moderate real growth and a decline in the rate of inflation. In present circumstances, this can best be achieved by maintaining close control over the rise in government spending. As I have stressed, our expenditure targets over the next two years involve a commitment to keep the growth of expenditures below the growth of the GNP. However, our revenues will grow more rapidly than GNP because of the very nature of the tax system. The financial requirements will therefore decline.

● (2110)

The deficits of both the federal government and the provincial governments reached record levels in 1975. I have already observed that this was entirely appropriate, and made a major contribution to protecting Canadians against the full force of the world recession. But now that the recovery is well established and private spending is rising, it is equally appropriate that these record deficits should recede.

It would be possible to pursue more restrictive fiscal and monetary policies and rely less upon controls in the battle against inflation. Those who advocate such a course emphasize the adverse effects of controls, in terms of interfering with private enterprise and collective bargaining, discouraging productivity, and creating inequities. We are conscious of these drawbacks and have sought to minimize them. Let there be no doubt as to our desire to remove the price and income controls as soon as possible. But we will not do so at the cost of high unemployment or of undue burdens on the weakest members of society. A more restrictive fiscal and monetary policy would undoubtedly cause unemployment to rise even higher than it is at present. Those who advocate that we slash government expenditure, raise taxes or cut even further into the growth of the money supply in order to get rid of the controls program, betray a shocking indifference to the problem of unemployment.

The other extreme would be to inject more stimulus into the economy by fiscal and monetary means in order to bring unemployment down faster, and to contain the resulting inflationary pressure by relying more upon controls. I doubt if many Canadians would want us to go down that road, and even if we tried we would surely fail. A clear lesson of history is that controls cannot be made to work in peacetime in the face of excess pressures of demand. They have to be supported by careful and moderate fiscal and monetary policy.

Some would prefer us not only of follow a more expansionary fiscal and monetary policy in order to reduce unemployment, but also to abandon the controls program. To accept that counsel is to accept all the agonies of inflation. In the not-very-long run we would all be victims. The rising tide of inflation would inflict severe damage on the economic system, further weaken our competitive position and impair our chances of creating satisfying and well-paid jobs for our growing labour force.

We believe that the problems of unemployment and inflation must be solved together. We cannot solve one of them at the expense of the other. We do not believe that the people of this country want us to try to beat inflation down by creating massive unemployment. Nor would they thank us for trying to lower unemployment at the cost of a renewed outburst of double-digit inflation.

Budget Measures

Before turning to specific measures, I would like to raise with hon. members a parliamentary issue which has long been of interest to me. I refer to the process by which budgets are brought forward and dealt with in the House.

By time-honoured custom, a budget is the primary occasion on which the government reports to parliament on the state of the economy and its own fiscal position, and proposes changes in taxation and other aspects of economic policy. But I believe the time has come to consider whether some of the long-standing traditions that surround the budgetary process should be modified to serve better the needs of today.

Two aspects of the budgetary process require particular study. The first is the strict rule of secrecy that applies to the budget prior to its introduction. The second is the procedure for consideration of the budget proposals following their introduction in parliament.

The tradition of budget secrecy has two grounds. It is intended to deny to anyone financial advantage from advance information. And it is intended to ensure that important statements of government economic policy are disclosed first to members of the House of Commons. Both of these reasons are valid and important, but it would be helpful to clarify the precise obligations imposed on the Minister of Finance by this long-standing tradition.

The procedures followed in dealing with the budgetary proposals after their introduction also deserve re-examination. It has been the recent custom to table very detailed Ways and Means Motions on budget night. The intent has been to make public the greatest possible information about the nature of legislation contemplated by the government. Under present House rules, however, this approach has not left enough scope to take account, in the ultimate legislation, of post-budget discussion in the House and in the country.

Some of the Ways and Means Motions I am introducing tonight are written in more general language so that we will be in a better position to make any necessary modifications in the bills that follow. I will look forward to hearing the views of hon. members and others on this innovation and their suggestions for dealing with the budget measures in the House.

For example, study might be given to the way in which parliament deals with changes in income tax legislation which are of a purely technical nature. A further question is whether there is a better way of giving the full force of law to Ways and Means Motions which come immediately into effect.

In this respect I would intend to seek the guidance of my colleague, the House Leader, as to the best way in which to achieve a re-examination by members of the procedures we have followed for so many years.

[*Translation*]

I should like now to deal with certain tariff changes. Honourable Members will recall that in February, 1973, tariffs were cut on a wide range on consumer products in

order to moderate upward pressures on prices. These reductions were originally introduced for one year only but most were subsequently renewed until June 30, 1976.

To ensure that Canadian tariff policy continues to make an appropriate contribution to the fight against inflation, I am proposing tonight that these temporary tariff reductions, with two exceptions, be extended for another year. In the food sector, reductions are being continued on such products as canned meats, prepared cereal foods, biscuits, certain fresh vegetables and raw and refined sugar. In the non-food sector, products on which reductions are being extended include drugs and pharmaceutical products, plumbing fixtures, kitchen and dinnerware, hand tools, photographic equipment and sporting goods.

I am also proposing that temporary tariff cuts be made on several other food products, including fresh pork, ham, bacon and macaroni.

I have considered carefully the implications which continuation of these temporary tariff reductions might have for our position in the GATT negotiations. I have concluded that their extension until June 30, 1977, would not prejudice our position. The tariff reductions are, of course, temporary and will not be the base from which we will be negotiating in Geneva. We intend to ensure that we achieve over-all reciprocity between what we offer and what we receive by way of benefits in these negotiations.

I believe all of these steps can be taken without causing injury. In case unforeseen problems do arise, authority is again being sought to permit withdrawal by Order in Council of any of these temporary tariff reductions which in fact have serious effects on employment or production in Canada. However, I have concluded that the existing temporary reductions on tires and tubes and on scissors should be allowed to expire on June 30 in order to avoid hardship to Canadian firms and their employees.

Details of the reductions proposed are to be found in the Ways and Means Motion. The motion also provides for a few other amendments to the Customs Tariff.

[*English*]

I have received a number of representations from Canadian machinery manufacturers alleging that the 2½ per cent British Preferential rate has been causing them considerable difficulties. They have urged that machinery imported from Britain be made dutiable at the 15 per cent Most-Favoured-Nation rate. Canada is no longer obliged to accord preferential treatment to Britain or Ireland following their accession to the European Economic Community. In light of these representations, I am directing officials of my department to carry out an intensive study of the situation and to report to me on the operation of the present tariff provisions governing the importation of different types of machinery.

However, there is a particular need to withdraw now the preferential rate on compressor and electricity generating sets. I am, therefore, proposing that imports of such equipment from Britain and Ireland be made subject to the 15 per cent tariff immediately. When such machinery is not available from Canadian sources, the duty can be remitted under the machinery program.

[Mr. Macdonald (Rosedale).]

Tax Measures

Mr. Speaker, I turn now to the specific tax measures I am proposing tonight. They will not produce a significant net change in revenues, but they will significantly reinforce the policies of the government.

• (2120)

Energy Conservation

The following measures will help achieve the government's overall objectives for energy conservation recently announced by the Energy Minister.

I am proposing to expand the present two-year fast write-off to include certain types of equipment which contribute to the efficient use of energy resources. The list includes equipment which enables industrial waste to be used as a fuel source and equipment which produces energy from municipal waste. This measure will apply to assets acquired after tonight and before 1980.

I am also proposing immediate removal of the federal sales tax from a number of items which contribute directly to the development of energy sources other than fossil fuels. Included in this list are such items as solar furnaces and heating panels, wind-powered generating equipment, and heat pumps.

Further tax measures to deter wasteful consumption of energy are proposed. Studies indicate that motor vehicle air conditioners increase fuel consumption by as much as 20 per cent. Consequently, effective tonight the budget introduces a specific excise tax of $100 on air conditioners for use in automobiles, station wagons, vans and smaller trucks.

In addition, I am proposing significant increases in the special excise tax on high-energy consuming motor vehicles. This will be accomplished in two ways. First, the weight threshold above which the tax takes effect will be reduced over a four-year period to 3,500 pounds from 4,500 pounds for cars and to 3,700 pounds from 5,100 pounds for station wagons. The annual reductions will be 250 pounds for cars and 350 pounds for station wagons, commencing this August.

Second, the applicable rate will be increased. Effective August 1 of this year the rate will be $30 for the first 100 pounds, $40 for the second 100 pounds, $50 for the third 100 pounds and $60 for each subsequent 100 pounds. The full effect of these changes as of August 1, 1979 will result in a tax of $1,020 on a car weighing 5,300 pounds. The purpose of the tax is not to raise revenue but to encourage Canadians to demand and the auto industry to produce lighter, more energy-efficient cars.

The timetable for the imposition of this higher tax dovetails with that for achievement of gasoline consumption standards for new cars recently announced by the Energy Minister. Both provide time required by the auto industry to adjust its production toward smaller cars.

Resource Taxation

As we are all aware, both the federal and provincial governments have had some very difficult decisions to make in recent years concerning our petroleum and mining industries.

I believe it is important to maintain a stable tax system for these industries and I am not proposing any significant

changes affecting them. I am encouraged to see that the provinces, which impose by far the larger fiscal burden on the resource sector, are offering significant new incentives to seek out new reserves or to enhance recoverability from known reserves.

However, I feel the federal government can make an additional input to help encourage this exploration activity. Historically, our tax system has distinguished between those whose principal business is resource oriented and other taxpayers. Principal-business taxpayers have been permitted to claim their exploration costs at a rate of 100 per cent whereas other taxpayers have been able to write them off at a rate of only 30 per cent per year. In an effort to attract funds from Canadians for resource exploration which is so critical in our national development, I am proposing that all taxpayers be allowed to write off immediately 100 per cent of their exploration costs incurred after tonight and before July 1, 1979. This three-year period will provide an opportunity to determine the effectiveness of this new incentive.

I am also introducing an amendment to make it clear that no federal tax will be payable on moneys received under provincial incentives for drilling and exploration.

Air Transportation Tax

I am proposing to extend the Air Transportation Tax. At present, the tax applies only to air transportation purchased in Canada. An estimated 2.3 million travellers using Canadian airports annually do not now pay the tax, because they purchase their tickets outside the country. We propose to amend the Excise Tax Act to extend the tax to these travellers.

It is our intention to consult with the air carriers, other interested persons and foreign governments concerning potential problems of defining and administering the change before tabling a Ways and Means Motion in the House. Consequently, this evening I am only announcing the broad outlines of the extension.

Capital Cost Allowances

The government has been making an intensive review of the Canadian system of capital cost allowances—that is, the system under which a taxpayer claims the cost of depreciable assets as a deduction against his income. The analysis has now reached the point where I am able to present certain conclusions to the House and to propose some changes.

The main conclusion reached is that our system of capital cost allowances is basically sound. It is not out of line with systems in other industrial countries. It is easy for the Canadian taxpayer to apply, and in a time of growing complexity in tax legislation, certainty and simplicity are not to be under-rated.

Our review to date has indicated, however, that some changes in the rates should be made. These changes, which will be made by regulation and which will apply to assets acquired after tonight, are outlined in the budget papers I have tabled. However, I would like to comment on a few of the more important ones.

It has become evident that because of rapidly changing technology in computers, the present capital cost allowance rate of 20 per cent is inappropriately low. I am therefore proposing that the rate for computer hardware and the related systems software be increased to 30 per cent, and that the rate for other types of software be increased to 100 per cent.

Other assets for which increases in rates are proposed include taxis, roads, runways and offshore drilling platforms.

On the other hand, our review has shown that the present rate of 40 per cent provided for aircraft is unnecessarily high and I am proposing that it be reduced to 25 per cent.

Other rate reductions are proposed for radio, television and radar equipment, electrical generating equipment, earth-moving equipment, and leased advertising signs.

Mr. Speaker, the government does not intend that capital cost allowances be available for unwarranted use by taxpayers as a means of sheltering income from its fair burden of taxation. With this objective in mind, I am proposing that a new limit be introduced to prevent the creation of tax losses by claiming capital cost allowance on the leasing of moveable property. Specifically, taxpayers will not be allowed to claim capital cost allowances on leased equipment in excess of their net rental income from that type of property. This new limit will apply to both individuals and corporations in respect of moveable property acquired and leased after today.

[*Translation*]

I refer now to the tax treatment of small business in this country.

Canadian-controlled private corporations are entitled to pay tax at a reduced rate subject to an annual and a cumulative limit on their profits. For 1972 and 1973 those limits were $50,000 per annum up to $400,000 in total. In 1974, those limits were raised to $100,000 per annum up to a cumulative total of $500,000. Effective for 1976 and subsequent taxation years, I would like to announce a further increase of those limits to $150,000 per annum up to a cumulative total of $750,000. This measure will significantly benefit our small and medium-sized Canadian-controlled corporations.

[*English*]

Charities

With last June's budget, discussion papers were tabled on federal sales and excise taxation, and on the taxation of charities. With respect to the former, our study of the matter is still in progress. With respect to charities, I am now in a position to present concrete proposals to Parliament. Full details will be found in the material I am tabling tonight, but I would like to mention a few of the more important changes.

● (2130)

One important objective of the review was to rationalize the classification of charities for tax purposes. Under the proposed legislation, all charities will have to be registered in order to retain their tax-free status. Registered charities will be divided into two new groups—charitable organizations and charitable foundations. Charitable foundations will be subdivided into public foundations and private foundations.

Under the present rules, technically no charity can carry on a business. Nonetheless, many charities do indeed carry on worth-while fund-raising activities which might be construed as business activities. I see no reason to alter this situation as it exists in practice. On the contrary, I want to bring the law into conformity with the current standards of the community. The new rules, therefore, will permit a charitable organization or public foundation to carry on a business activity if it is related to the charitable objectives of the charity or if it is operated substantially by volunteers.

In the discussion paper, a proposal was made which would require private foundations to pay out annually an amount equal to the greater of 90 per cent of their annual income or 5 per cent of the fair market value of their assets. This rule was designed to ensure that charitable activities received some reasonable level of benefit from foundations enjoying tax advantages. As a result of representations received, this proposal will be implemented but in a modified manner. The 5 per cent requirement will not be applicable to "qualified investments" such as publicly listed securities. There will also be a phase-in period to permit existing private foundations to adjust to this new rule.

Proposals were also put forward to deregister charities which incur excessive fund-raising costs. There was virtual unanimity in the submissions that such a rule is needed. Charitable organizations and public foundations will be required to distribute or utilize in charitable activities at least 80 per cent of the funds for which they have issued receipts for tax purposes. There will be a transition period during which the required pay-out will be lower.

The discussion paper also proposed that all registered charities disclose publicly certain aspects of their finances and charitable activities. These proposals received widespread support and will be incorporated in the amending legislation.

I should be remiss if I did not thank the charities themselves and other interested persons for their substantial contribution to this exercise. Many of them presented lengthy and thoughtful briefs. Their views have been carefully considered and account for many of the modifications I have made to the original proposals.

Personal Income Tax

The budget tonight also provides for a number of significant amendments to the Income Tax Act affecting individuals.

As part of tax reform, working women and single-parent fathers were permitted to deduct part of the cost of child care from their earned income. The maximum deduction allowed under this provision was $15 per week per child and $500 per year per child, to a total annual maximum of $2,000 per family. I have received many representations that these figures are now too low. Therefore, I am pleased to announce that commencing with the 1976 taxation year the limits will be doubled to $30 per week per child and $1,000 per year per child with a total maximum annual limit of $4,000. An amendment will also be made to allow such deductions to be claimed against income from research grants and adult training allowances.

[Mr. Macdonald (Rosedale).]

I would like to mention an amendment relating to disabled children. At present, a disabled taxpayer is allowed to deduct the amount of $1,000, which is indexed. Effective with the 1976 taxation year, the unused portion of this deduction will be transferable from a disabled dependent child to the parent who claims him or her as a dependant. Because few such children have any income, the effect of this change will be to give supporting individuals a significant deduction in respect of dependent disabled children.

I would also like to outline certain amendments relating to deferred income plans. The government introduced these tax incentives to encourage Canadians to make provision for their retirement years and thus to foster national saving. The limits under all of these plans were substantially increased in 1972 as part of tax reform. Since then, inflation has reduced the real value of these limits.

I am therefore proposing further increases tonight. For the 1976 and subsequent taxation years, the maximum annual amount deductible by employees and employers in respect of a registered pension plan will be increased from $2,500 to $3,500. The same limits will apply to registered retirement savings plans where the beneficiary is also a member of a pension plan, and to employer contributions to a deferred profit-sharing plan. Where the beneficiary under a registered retirement savings plan is not a member of a pension plan, the maximum contribution limit will be increased from the present $4,000 to $5,500.

Finally, in respect of deferred income plans, I am proposing an amendment to the provisions dealing with registered home ownership savings plans which will allow taxpayers to shift plans from one institution to another. This means that if taxpayers move from place to place or if they are dissatisfied with the return they are earning there will be no barrier to finding a replacement and transferring their funds.

Mr. Speaker, I am sure that all members are aware of the widespread concern that is now evident regarding the complexity of the Income Tax Act and of the income tax return. As a first step to improve this situation, I am proposing certain amendments which will contribute to a simplification of the returns for the 1976 and subsequent taxation years.

Apart from these important structural changes, there will be no significant decreases, or increases, in the personal income tax.

Finally, Mr. Speaker, I am proposing a number of technical changes to the Income Tax Act and to other taxing statutes, details of which are contained in the Ways and Means Motions.

The supplementary material shows the estimated revenue impact of the various measures on a full-year basis. The tax and tariff measures are expected to cause a net reduction in budgetary revenues of $75 million in the current fiscal year.

[*Translation*]

The Economic and Fiscal Outlook

Mr. Speaker, the economic policies of the government, strengthened by the measures I have announced tonight, are directed at the achievement of our goals of sustained growth, high employment and price stability.

I anticipate that real growth in 1976 will be about 5 per cent. Our goal of bringing down the year-over-year rate of increase of the consumer price index to 8 per cent by the fourth quarter of 1976 is within our reach. The increase in the GNE price index between 1975 and 1976 is expected to be about 9 per cent. The increase in the nominal value of the GNP in 1976 is expected to be between 14 and 15 per cent.

Employment has been growing quite strongly over the past year and I expect it to continue to grow. I estimate that the Canadian economy will generate more than 250,000 new jobs this year. The broad trend of the unemployment rate has been level for considerable time although there have been erratic month-to-month movements reflecting work stoppages and other temporary factors. I am quite aware of the increase in the unemployment rate reported in April. I assure hon. members that I am keeping the situation under the closest attention. My expectation is that the rate of unemployment will continue the recent level trend in the near term and gradually decline as cyclical expansion takes hold.

The continuing recovery in 1976 will be sustained by the growth of exports in response to recovery in the United States and most overseas industrial countries. I expect that our trade balance will begin to show a significant improvement, bringing about a reduction in the large deficit on goods and services which developed in 1975. Housing expenditures will be strong because of the very high level of starts in recent months. With real incomes rising in response to growing employment and decelerating consumer prices, consumer spending will also be an expansionary force in the economy. Production will have to be incresed in order to rebuild inventories after the heavy liquidation of stocks in 1975. All these factors will outweigh the slowing down of business fixed investment and government spending on goods and services.

The outlook for 1977 is, of course, much more uncertain at this time. The expansion should proceed at a measured pace and the rate of inflation continue to come down. I look to renewed growth in real business fixed investment to help sustain the expansion. I will, of course, wish to review the situation as the outlook for 1977 becomes clearer. If further policy action is needed to keep the economy on the desired track, I will not hesitate to take it.

I now wish to inform the House as to our fiscal position and outlook.

The figures I have tabled on the financial requirements for the fiscal year just ended are still preliminary since the books are not yet closed. More precise information will be available with the publication of the preliminary financial statements in the Canada Gazette this summer.

I should advise that the summary statements of transactions have been modified to bring them into accordance with the recommendations of the report on the Study of the Accounts of Canada, tabled by the chairman of the Standing Committee on Public Accounts on March 9.

On the new basis, the forecast of financial requirements excluding foreign exchange transactions made in the June budget would have amounted to $5 billion. In the event, they amounted to $4.6 billion. I anticipate little change in 1976-77 and a significant decline in 1977-78. These forecasts are based on the expenditure projections which I described earlier and the projected yield of the tax structure as modified by the proposals in this budget.

The government was able to finance the bulk of its requirements in 1975-76 through the sale of securities to the general public rather than to the banking system. Canada Savings Bonds outstanding increased by over $3.6 billion. The general public's holdings of treasury bills and marketable issues increased by over $1 billion. We succeeded in placing long-term marketable securities on a substantial scale with private and institutional investors. The Bank of Canada and the chartered banks increased their holdings only by some $800 million in the fiscal year.

● (2140)

[*English*]

At the beginning of this fiscal year, our cash balances stood at $3 billion. They could be run down somewhat, and therefore we expect that we will have to borrow rather less money than we did last year. We have been relieved of the necessity of raising about $300 million since the Canadian National Railways and the Export Development Corporation have been authorized as commercial enterprises to exercise their statutory powers to borrow this amount in the capital markets.

It is intended that much of the government's financing will be by the sale of securities to the general public particularly market issues. The purchases of our securities by the banking system will reflect the strength of private loan demand and the monetary policy of the Bank of Canada.

The National Income and Expenditures Accounts are viewed by many as providing a better indicator of the economic impact of the government's transactions. However, they exclude important loans, investments and advances to Crown corporations, other governments and private firms and individuals. A new table extends the National Income and Expenditure Accounts to provide information on these transactions and on the other factors involved in the difference between the National Accounts balance and total financial requirements. This addition also conforms with the recommendations of the Study of the Accounts of Canada.

The National Income and Expenditure Accounts deficit is expected to decline by $900 million to $3.3 billion in 1976-77, and by a further substantial amount in 1977-78. This decline in the National Accounts deficit and the levelling-off of financial requirements in 1976-77 are possible only as a result of continuing efforts to control expenditure growth in a period of cyclical recovery.

CONCLUSION

Mr. Speaker, I have provided the House with a full account of the approach of the government to economic policy.

We are still in the critical early stages of the effort to bring the rate of inflation down. Nothing must be done to endanger its success. When there is a solid basis of achievement on the prices front, then we will have greater opportunities for action to maintain the momentum of the recovery. But if we falter in the battle against inflation, we

will face the risk of slower real growth and higher unemployment.

Only by bringing the cost-price spiral under control can we solve many of the key problems which confront us. This is what we must do to restore the competitiveness of the Canadian economy, and thereby ensure the continued improvement in our balance of payments and the health of our export and import-competing industries. This is what we must do in order to reduce interest rates, ease the financial pressures on individuals, firms and governments and reduce our reliance on foreign borrowing. This is what we must do in order to restore the sense of confident expectation about the future, so necessary to the growth in investment, the increase in productivity and the rise in our living standards. If we fail to bring the rate of inflation down, we will also fail in our efforts to achieve a sustained reduction in the level of unemployment.

We also believe that the only way to meet these problems is by a deliberate and persistent approach. No miracle drug exists to provide an instant cure to these economic ills. It will take time and patience to restore price stability and a high level of output and employment. This approach is evident in our monetary policy, our fiscal policy, our expenditure policy, our energy policy and our control policy. In all of these fields, drastic action to yield quick results would be highly disruptive, damaging to the interests of the groups most affected and unlikely to be sustainable. It is far better to maintain a steady course in order to restore confidence and enable all groups in society to plan with greater assurance of settled times ahead.

We see ourselves as partners and not as sole proprietors in this enterprise. It is well to remember that in our economy there is not only a recognized role for governments and their enterprises but also a massive and crucial role for private firms, labour unions and a great diversity of other private institutions and associations. If government alone is held responsible for the performance of the economic system, then government will be driven increasingly into the regulation of the private sector, at the cost both of efficiency and of economic freedom. In general we all look to the private sector to deliver the right goods and services to the right place at the right time and the right price. Productivity growth results primarily from the actions of the private sector, not the policies of government. The private sector can expect government to provide a framework of law and economic policy in which it can best function. But government can expect the private sector to operate efficiently, competitively and with due regard to the interest of society within that framework.

Indeed, all Canadians have their roles to play in the achievement of our common economic goals.

Some hon. Members: Hear, hear!

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker,—

Mr. Guay (St. Boniface): Where is Joe?

An hon. Member: We want Marcel.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The time allowed for the initial response by the hon. member for York-Simcoe (Mr. Stevens) is very limited, and I wonder if he could be given attention.

[Mr. Macdonald (Rosedale).]

Mr. Stevens: Mr. Speaker, John Turner read better than this minister.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Stevens: In the budget which we have just had read to us there was reference to a new system for the presentation of budgets in the future. I sincerely hope there will be a new system because it is intolerable that hon. members on all sides of this House should be tied down to their seats while the minister's press conference is aired on television around the nation.

Some hon. Members: Shame!

Mr. Stevens: It is contemptuous of parliament for the Minister of Finance (Mr. Macdonald) to have used that tactic tonight.

I had hoped that the budget tonight would restore the confidence of Canadians in our future, but it has not. It has not restored the confidence of Canadians, of consumers, of labour, of the businessman or of the investor. The budget fails to achieve that purpose because the present administration is unwilling to make a commitment of 6 per cent real growth in our economy and to cut down on its own spending. If such a commitment were made and fulfilled, we would not only have lower unemployment but we would have less inflation as well.

Some hon. Members: Explain.

Mr. Stevens: In plain language, this budget anticipates 9.4 per cent inflation this year. If you read it, that is what it is saying.

Some hon. Members: Shame!

• (2150)

Mr. Stevens: It is anticipating unemployment in this nation of some 750,000 Canadians, and it is anticipating a real growth of 5 per cent. Mr. Speaker, the 5 per cent real growth target of the minister represents a lowering of expectations which Canadians are entitled to have fulfilled. That real growth rate of 5 per cent totally ignores the 7 per cent that has been lost over the previous two years as a result of the ineptitude of the government. That 7 per cent in real growth translates into 210,000 extra Canadians being out of work who would not have to be out of work if it were not for the real growth lag.

When John Turner took over the financial portfolio real growth was averaging 6 per cent; when he left, real growth was little better than zero. That reduced rate of growth has exacted its penalty, as I have stated, on job creation. When Mr. Turner took over as minister of finance in January, 1972, there were, seasonally adjusted, 539,000 unemployed; by the time he left last September there were 732,000 unemployed. Now under this minister there are 761,000 unemployed and the figure is likely to rise as a result of this budget tonight. There is little in this budget to relieve unemployment and in fact there are ingredients that may

even increase the unemployment with which we are now saddled.

The administration asks for restraint by Canadians. But at a time when most Canadians could only increase their incomes by a maximum of 10 per cent to 12 per cent, at a time when the economy was only to grow at a rate of 13 per cent—you recall it was to be 8 per cent inflation and 5 per cent real growth—at a time when these were the facts we find that the administration has increased its spending by 35 per cent over the last two years.

Some hon. Members: Shame!

Mr. Grafftey: Leading by example.

Mr. Stevens: Mr. Speaker, is it any wonder we now have 9.4 per cent inflation rather than the target of 8 per cent we were led to believe it would be only a short while ago?

The spending habits of the administration are so extravagant that federal spending will practically have gone up four times in the last ten years. It took us 100 years to get to a budget of $9.9 billion in 1967, Mr. Speaker; this administration doubled that figure in the next five years, and in the last four years doubled it once again to the present $42 billion spending estimate we have before us and which is confirmed by this budget.

Although the federal government asks all Canadians to participate in the anti-inflation program the administration has carefully excluded itself from participation. The battle against inflation is being fought, first by the Bank of Canada, by keeping monetary growth to a 10 per cent annual rate; second, by the provinces which have kept their average spending increases to 11 per cent; and third, by the private sector, labour and business, who are obeying the Anti-Inflation Board rules.

The weak point in fighting inflation in Canada is with the federal government.

Some hon. Members: Hear, hear!

Mr. Stevens: If the federal administration persists in spending at current rates while all other groups in society are relatively restrained, the net result will be an even larger share for the federal government in the economy. This may be the single most alarming feature of this budget. Undoubtedly and unfortunately it is the average, individual Canadian who will be paying for this spending spree of the federal government.

There are no meaningful tax cuts, even for the poor, in this budget. I would point out that despite the fact that the federal government proposes to allow another horrendous cash deficit of $4.5 billion this year—the same cash deficit we had last year—Canadians will have to pay more in taxes. The total tax take at the federal level will rise by 18 per cent and falls mainly on the individual Canadian. Under this regime his taxes will go up a startling 25 per cent this year to cover the extravagance of this government.

Turning to deficits, Mr. Speaker, let us look at the inaccurate estimates previously made by the government. Back on November 18, 1974, the former minister of finance totalled the expenditures and revenues and stated the deficit would be $1.5 billion; by June last year he said it would be $3.6 billion, and tonight we find that the deficit as far as this government is concerned is $4.2 billion.

Perhaps the most startling thing of all is that if you add up the aggregate deficit of the government it comes to $11.6 billion, which is four times the amount of deficit of the three previous administrations put together; four times the amount of deficit of the Pearson government, the Diefenbaker government and the St. Laurent government.

Some hon. Members: Oh, oh!

Mr. Stevens: Mr. Speaker, that is what this government has the nerve to call restraint. The extravagance and waste of the present administration will unfortunately be paid for by all Canadians, by a growing tax burden, by sustained inflation, by lower expectations and the declining confidence of all, but more about that later.

I move, seconded by the hon. member for Halifax (Mr. Stanfield), that the debate be now adjourned.

Some hon. Members: Hear, hear!

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

Some hon. Members: Agreed.

On motion of Mr. Stevens the debate was adjourned.

Mr. Speaker: Order, please. In accordance with previous practice of the House and as a result of the special proceedings of this evening it is, I take it, assumed and agreed that no adjournment proceedings will take place?

Some hon. Members: Agreed.

Hon. Mitchell Sharp (President of the Privy Council) moved:

That the House do now adjourn.

Motion agreed to.

Mr. Speaker: This House stands adjourned until two o'clock tomorrow afternoon pursuant to Standing Order.

On motion of Mr. Sharp the House adjourned at 10.01 p.m.

APPENDIX "A"

SUPPLEMENTARY TABLES ON GOVERNMENT'S ACCOUNTS

Table 1
Government of Canada
Public Accounts Presentation
Summary Statement of Transactions

	1974-75 Actual	1975-76 Preliminary Actual	1976-77 Forecast[1]
		($ millions)	
Budgetary Transactions			
Revenues	28,067	29,811	34,400
Expenditures[2]	-29,245	-33,887	-39,400
Surplus or Deficit (-)	-1,178	-4,076	-5,000
Non-Budgetary Transactions			
Loans, Investments and Advances[2]	-2,227	-3,338	-2,750
Annuity, Insurance and Pension Accounts	1,328	1,025	2,300
Other Transactions	34	1,799	950
Net Source or Requirement (-)	-865	-514	500
Financial Requirements (Excluding Foreign Exchange Transactions)	-2,043	-4,590	-4,500
Foreign Exchange Transactions	496	-190	
Total Financial Requirements	-1,547	-4,780	

(1) Numbers in this column should be interpreted as mid-points of ranges of estimates. No forecast is made of the cash requirements of the Exchange Fund Account.

(2) Total outlays are composed of budgetary expenditures plus loans, investments and advances.

Note: This table is not directly comparable to that presented in the June 23, 1975 budget. Since that time, amendments to the Old Age Security Act have resulted in Old Age Security transactions being treated as budgetary rather than non-budgetary. For consistency, they are treated here as budgetary throughout. Also, at the time of the budget, the advance to the Exchange Fund to remit profits was treated as a non-budgetary transaction. This advance is now treated as a foreign exchange transaction. On a comparable basis, the June forecast of total financial requirements, excluding foreign exchange transactions, for fiscal year 1975-76 would have been $5 billion rather than the $5.3 billion presented at that time.

Table 2
Government of Canada
Public Accounts
Budgetary Revenues

	1974-75 Actual	1975-76 Preliminary Actual	1976-77 Forecast[1]
		($ millions)	
Personal Income Tax	11,710	12,703	16,040
Corporation Income Tax	4,836	5,748	5,860
Non-Resident Tax	427	481	520
Customs Duties	1,809	1,886	2,180
Sales Tax	3,866	3,441	3,920
Other Duties and Taxes	2,838	2,713	2,520
Total Tax Revenues	25,486	26,972	31,040
Non-Tax Revenues	2,581	2,839	3,360
Total Budgetary Revenues	28,067	29,811	34,400

(1) Numbers in this column should be interpreted as mid-points of ranges of estimates.

Table 3
Government of Canada
Summary, Extended
National Accounts Presentation

	1974-75 Actual	1975-76 Estimate[1]	1976-77 Forecast[2]
		($ millions)	
Current Transactions			
A. Revenues	30,060	32,130	37,950
B. Expenditures	-30,669	-36,365	-41,250
Surplus or Deficit (-)	-609	-4,235	-3,300
Loans and Other Transactions			
A. Loans, Investments and Advances	-1,968	-2,850	-2,540
B. Cash vs Accruals	663	2,313	1,215
C. Other Transactions	-129	182	125
Net Source or Requirement (-)	-1,434	-355	-1,200
Total Financial Requirements (Excluding Foreign Exchange Transactions)	-2,043	-4,590	-4,500
Foreign Exchange Transactions	496	-190	
Total Financial Requirements	-1,547	-4,780	

(1) Estimates for Current Transactions items in this column are based on the official national accounts statistics, issued by Statistics Canada, for the first three quarters of the fiscal year, and on Department of Finance estimates for the final quarter.

(2) Numbers in this column should be interpreted as mid-points of ranges of estimates. No forecast is made of the cash requirements of the Exchange Fund Account.

Table 4
Government of Canada
Revenues and Expenditures
on a National Accounts Basis

	1974-75 Actual	1975-76 Estimate[1]	1976-77 Forecast[2]
		($ millions)	
Revenues			
Direct Taxes, Persons	14,240	16,000	20,100
Direct Taxes, Corporations	4,642	4,885	5,585
Direct Taxes, Non-Residents	440	485	525
Indirect Taxes	8,360	8,072	8,600
Other Current Transfers from Persons	7	8	10
Investment Income	2,009	2,285	2,700
Capital Consumption Allowances	362	395	430
Total Revenues	30,060	32,130	37,950
Expenditures			
Current Goods and Services	7,637	8,825	9,900
Transfer Payments to Persons	9,123	11,100	12,500
Subsidies	2,389	3,025	2,900
Capital Assistance	202	375	435
Current Transfers to Non-Residents	437	530	575
Interest on the Public Debt	3,164	3,910	4,600
Transfers to Provinces	6,598	7,325	8,900
Transfers to Local Governments	139	175	200
Gross Capital Formation	980	1,100	1,240
Total Expenditures	30,669	36,365	41,250
Surplus or Deficit (-)	-609	-4,235	-3,300

(1) Numbers in this column are based on the official national accounts statistics, issued by Statistics Canada, for the first three quarters of the fiscal year, and on Department of Finance estimates for the final quarter.

(2) Numbers in this column should be interpreted as mid-points of ranges of estimates.

Table 5
Government of Canada
Revenues, Public Accounts and National Accounts Reconciliation

	1974-75 Actual	1975-76 Estimate[1]	1976-77 Forecast[1]
		($ millions)	
Budgetary Revenues -- Public Accounts	28,067	29,811	34,400
Deduct			
Post Office Revenues and Deficit	-746	-901	-1,125
Deficit of Government Business Enterprises[2]	-219	-176	-177
Excess of Accruals over Collections			
Corporate Income Tax	23	-791	-203
Oil Export Tax	-160	-127	-79
Add			
Government Pension and Social Security Receipts[3]	3,304	4,107	5,003
Capital Consumption Allowance	362	395	430
Miscellaneous Adjustments[4]	-571	-188	-299
Total Revenues – National Accounts	30,060	32,130	37,950

(1) Numbers in these columns should be interpreted as mid-points of ranges of estimates.

(2) In the Public Accounts, deficits of government business enterprises are a charge to budgetary expenditures whereas in the National Accounts, these deficits are deducted from remitted profits of other government business enterprises.

(3) In the Public Accounts, the government pension and social security receipts and disbursements are treated as non-budgetary transactions whereas in the National Accounts, these transactions are included in government revenue and expenditure.

(4) These miscellaneous adjustments arise as a result of conceptual differences between the two forms of presentation. These items represent, for example, the proceeds from the sales of existing capital assets; budgetary revenue items offset against budgetary expenditures; imputed items; and, an adjustment for the treatment of revenue in the supplementary period.

Table 6
Government of Canada
Expenditures, Public Accounts and National Accounts Reconciliation

	1974-75 Actual	1975-76 Estimate[1]	1976-77 Forecast[1]
		($ millions)	
Budgetary Expenditures – Public Accounts	29,245	33,887	39,400
Deduct			
Transfers to Funds and Agencies[2]	-1,859	-1,963	-2,824
Post Office Expenditures	-746	-901	-1,125
Deficit of Government Business Enterprises[3]	-219	-176	-177
Add			
Expenditures of Funds and Agencies[2]	1,168	1,422	1,370
Government Pension and Social Security Disbursements[4]	2,921	4,022	4,498
Capital Consumption Allowance	362	395	430
Miscellaneous Adjustments[5]	-203	-321	-322
Total Expenditures – National Accounts	30,669	36,365	41,250

(1) Numbers in these columns should be interpreted as mid-points of ranges of estimates.

(2) In the National Accounts, budgetary appropriations to various funds and agencies are replaced by the expenditure actually made by these funds and agencies.

(3) In the Public Accounts, deficits of government business enterprises are a charge to budgetary expenditures whereas in the National Accounts, these deficits are deducted from remitted profits of other government business enterprises.

(4) In the Public Accounts, the government pension and social security receipts and disbursements are treated as non-budgetary transactions whereas in the National Accounts, these transactions are included in government revenue and expenditure.

(5) As in the case of revenues, the miscellaneous adjustments arise as a result of conceptual differences between the two forms of presentation. These items represent, for example, reserves and write-offs; purchase of existing capital assets, budgetary revenue items offset against budgetary expenditure; expenditures of reserve accounts and revolving funds; imputed items; and, an adjustment for the treatment of expenditures in the supplementary period.

Table 7
Government of Canada
Non-budgetary, Public Accounts and
Extended National Accounts Reconciliation

	1974-75 Actual	1975-76 Estimate[1]	1976-77 Forecast[1]
		($ millions)	
Non-Budgetary Transactions – Public Accounts	865	514	-500
Deduct			
Loans and Advances to Funds and Agencies	-259	-488	-210
Government Pensions and Social Security Accounts	1,296	952	2,216
Excess of Accruals over Collections			
Corporate Income Tax	23	-791	-203
Oil Export Tax/Charge	-160	-127	-79
Miscellaneous Adjustments[2]	-331	295	-24
Loans and Other Transactions -- Extended National Accounts	1,434	355	1,200

(1) Numbers in these columns should be interpreted as mid-points of ranges of estimates.

(2) As in the case of revenues and expenditures, the miscellaneous adjustments arise as a result of conceptual differences between the two forms of presentation. These items represent, for example, the adjustments for the treatment of revenues and expenditures in the supplementary period; the change in the reserves and revolving funds; and the adjustment required to bring financial requirements of entities included in the national accounts government sector in line with the requirements of these entities which are met through the Consolidated Revenue Fund.

HOUSE OF COMMONS

Wednesday, May 26, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

UNEMPLOYMENT INSURANCE

SUGGESTED PROTEST OF INCREASE IN QUALIFICATION PERIOD—MOTION UNDER S.O. 43

Mr. Andy Hogan (Cape Breton-East Richmond): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity.

In view of the fact there are now more than 760,000 people without jobs in Canada, and unemployment is at its highest level in 15 years, and in view of the fact unemployment in the last six months has escalated rapidly in the Atlantic provinces, I move, seconded by the hon. member for Brant (Mr. Blackburn):

That all Atlantic MP's, regardless of party, write to the Minister of Finance and to the Minister of Manpower and Immigration, protesting the increase of the qualification period for unemployment insurance benefits from eight to 12 weeks.

Mr. Speaker: Order, please. Such a motion can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

AGRICULTURE

REQUEST FOR REFORMATION OF MILK POLICY—MOTION UNDER S.O. 43

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, pursuant to Standing Order 43, I request the unanimous consent of the House to present a motion dealing with a matter of urgent and pressing necessity.

Considering that the Minister of Agriculture stated on many occasions that the surplus made by milk producers last year came from mismanagement by the people who are responsible for industrial milk in Canada and considering that the same people are still employed with the government notwithstanding their error which will cost producers several million dollars, I move, seconded by the hon. member for Compton (Mr. Tessier):

That the minister order a complete review of the qualifications of his senior civil servants responsible for the administration of industrial milk producers in Canada so that, if necessary, and I believe it is, a clean sweep be made among these people who are mainly responsible for the serious problems industrial milk producers now have.

Mr. Speaker: The House has heard the hon. member's motion. Pursuant to the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There not being unanimous consent, the motion cannot be put.

Mr. Beaudoin: Who said no?

* * *

[*English*]

THE CANADIAN ECONOMY

PROPOSED BUDGETARY MEASURES TO IMPROVE ECONOMIC CONDITIONS—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I also rise under the provisions of Standing Order 43 to move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this House requests the Minister of Finance to bring forward a budget which deals with the serious problems Canadians now face and which he managed to avoid completely in the effort he produced yesterday, namely, the fact that job creating programs are needed for the 761,000 unemployed, tax reductions are needed for the average and the poor, both in fairness and as a major stimulant to the economy, and immediate action is required to increase the supply and reduce the price of housing.

Mr. Speaker: Order, please. The Standing Orders of the House provide for six days' debate on the budgetary resolutions presented by the Minister of Finance (Mr. Macdonald). It would seem to be an abuse of the procedures to introduce a motion of this kind at this time.

* * *

HOUSING

FAILURE OF GOVERNMENT TO INTRODUCE BUDGETARY MEASURES TO REDUCE COST OF HOUSING—MOTION UNDER S.O. 43

Mr. John Gilbert (Broadview): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. Given that the annual rate of increase in the cost of home ownership has been in excess of 10 per cent since August of last year, and in fact was 14.3 per cent last month, and given that housing takes over 30 per cent of the average wage earner's dollar, I move,

seconded by the hon. member for Greenwood (Mr. Brewin):

That this House condemns the failure of the government to include any measures in its budget to reduce the cost of home ownership to the average Canadian.

Mr. Speaker: Order, please. For reasons already stated I would not propose to put, pursuant to Standing Order 43, a motion which relates to the general budgetary provisions of the government.

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, I rise under the provisions of Standing Order 43 to ask the unanimous consent of the House to deal with a matter of urgent and pressing necessity.

In view of the fact that the budget brought down yesterday will lengthen the minor attachment period—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please; the hon. member for Villeneuve.

* * *

[*Translation*]

CRIMINAL CODE

SUGGESTED ESTABLISHMENT OF NEW COMMITTEE TO ENFORCE ABORTION PROVISION—MOTION UNDER S.O. 43

Mr. Armand Caouette (Villeneuve): Mr. Speaker, pursuant to the provisions of Standing Order 43, I request the unanimous consent of the House to move a motion on an urgent matter calling for immediate attention.

Since the committee set up to study the enforcement of the abortion legislation in hospitals is only concerned about having a greater number of hospitals provide abortion services, without checking whether the hospitals now having committees for therapeutical abortions conform to the legislation instead of providing abortion on demand, and since one member of this committee, Dr. Marion Powell, is openly advocating abortion on demand and therefore lacks the necessary objectiveness, I move, seconded by the hon. member for Rimouski (Mr. Allard):

That the House direct the Minister of Justice to withdraw the terms of reference of that committee and set up another one precisely with the task of ensuring the enforcement of the abortion legislation so as to prevent some hospitals from providing abortion on demand. If this committee is to work properly, it should be made up of people in favour of respect for life.

Mr. Speaker: Order, please. The House has heard the hon. member's motion. Pursuant to the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; therefore the motion cannot be put.

[Mr. Gilbert.]

• (1410)

CANADIAN BROADCASTING CORPORATION

PROPOSED INQUIRY INTO HANDLING OF NEWS BY MONTREAL STATIONS—MOTION UNDER S.O. 43

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, pursuant to the provisions of Standing Order 43, I ask for the unanimous consent of the House to present a motion of pressing and urgent necessity.

Last night, during the news broadcast on the CBC French station, the news time was extended because of the budget and this time extension was given to a sitting of the Commission of Inquiry into Organized Crime, while almost no time at all was granted to the representatives of the political parties to speak on the budget, particularly the Social Crediters of Canada, of which I am one, whose interview was cut down from four to one minute. Therefore I move, seconded by the hon. member for Villeneuve (Mr. Caouette):

That the Committee on Broadcasting, Films and Assistance to the Arts inquire into the lack of cooperation from the CBC officials in Montreal who seem to specialize in eliminating or cutting down news sent by Ottawa CBC reporters, while the Montreal CBC officials do not seem to care a fig for general federal policies.

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There not being unanimous consent, the motion may not be put.

* * *

[*English*]

HOUSING

SUGGESTION GOVERNMENT INTRODUCE MEASURES TO MAKE MORE LOW-COST HOUSES AVAILABLE—MOTION UNDER S.O. 43

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I too rise on a matter of urgent and pressing necessity concerning the deplorable lack of low cost housing in Canada.

Whereas this government has failed to provide low cost housing, confirming that the lack of supply of decent, reasonably-priced shelter is not an accidental by-product of market forces but a deliberate policy; in view of the fact that house purchasing costs have risen over 14 per cent over last year across the country, for example in the district of Coquitlam a representative net profit was over $14,000 per lot; in view of the fact that the federal government is standing idly by while the government in British Columbia sells off at large profits housing estates built with federal funds intended for low-rental housing; and in view of the fact that experts now charge that the federal government is deliberately discouraging investment in low-cost housing in order to make capital available for extravagant, conspicuous projects like the Mackenzie Valley pipeline, which is ecologically and socially venal

and economically beneficial only to the large resources companies; I move, seconded by the hon. member for Brant (Mr. Blackburn):

That this House condemn the government for its cruel policy of deliberately denying working Canadians the shelter to which their resourcefulness and productivity entitles them; and instruct this government to introduce legislation to correct this distortion immediately, and at the same time to plug loopholes in the National Housing Act, in order to guarantee that federal funds alloted to low-rental housing are used for the purpose intended.

Mr. Speaker: Order, please. Is there unanimous consent?

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

THE CANADIAN ECONOMY

REQUEST FOR CLARIFICATION OF MINISTER'S STATEMENT ON BUDGET MILDLY STIMULATIVE—MEASURES TO REDUCE UNEMPLOYMENT

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is directed to the Minister of Finance. In the budget address last night and in the minister's press conference the minister has described the over-all fiscal posture of the budget as mildly stimulative. Sticking strictly to the budget itself, would the minister explain how he could make that statement in light of the fact that his own senior officials are reported as saying that it will have a slightly restrictive impact on the economy, a conclusion, I should say, that has already been reached independently by the Conference Board in Canada?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, it seems to me that when we are still running a deficit of several billion dollars it could hardly be regarded as being a very restrictive stand.

Mr. Clark: Mr. Speaker, I would like to put a couple of questions to the Minister of Finance relating to unemployment and job creation. In the budget address last night the minister stated that the unemployment rate will decline—and I think I am quoting him correctly—as the cyclical expansion takes hold. Since the budget anticipates an increase of some 250,000 jobs this year while the labour force grew by 353,000 jobs last year and is expected to grow by over 300,000 jobs this year, how does the government plan to reduce unemployment and avoid further unemployment in this year, 1976?

Mr. Macdonald (Rosedale): Mr. Speaker, as I indicated both in the budget speech and in statements outside, the slowdown in the Canadian economy has come primarily because of the reduction on the export side. As I mentioned, we are anticipating improvement in the performance of the other OECD economies with the consequent benefit for Canadian industries and an increase of our export of commodities. In that sense, we see a recovery coming in the world at large which will have beneficial effects in Canada.

Mr. Clark: The unemployed in Canada and those seeking jobs are asked to look to other governments for comfort because the government of Canada is doing nothing at all.

Some hon. Members: Hear, hear!

REQUEST FOR LABOUR FORCE PROJECTIONS AND EMPLOYMENT TARGETS

Mr. Joe Clark (Leader of the Opposition): So there might be some indication as to the parameters within which this government is working, can the minister give the House now any labour force projections and any new specific employment targets, preferably by region and by sector, which would back up the government's expressed concern about high unemployment in the country?

Hon Donald S. Macdonald (Minister of Finance): It seems to me that there is a fundamental fact which the Leader of the Opposition should recognize, that approximately 50 per cent of the merchandize produced in Canada is sold in foreign markets. If those foreign markets are not strong, that merchandize will not find a market.

Some hon. Members: Oh, oh!

Mr. Macdonald (Rosedale): In that sense it is a purely phoney suggestion to say that the drop off in Canadian exports will not affect Canadian performance. That is the thrust of the budget, the fact that our exports have dropped off, that is the recognized fact in the OECD countries and with that kind of recovery it will be evident as well that the Canadian economy will have the advantage.

Mr. Clark: Will the Minister of Finance or his colleagues give the House of Commons any indication of national and regional employment goals which are guiding the government in the conduct of its own affairs rather then simply leaving the creation of jobs in Canada to the policies of other countries?

Mr. Macdonald (Rosedale): The hon. gentleman again repeats the little dishonesty—

Some hon. Members: Oh, oh!

An hon. Member: You are very touchy today.

Mr. Macdonald (Rosedale): —about the economic performance in Canada being independent of the export performance. The Canadian economy does not work that way and never has.

Some hon. Members: Hear, hear!

AREA IN WHICH JOBS WILL BE CREATED THIS YEAR

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is also for the Minister of Finance. Would the minister indicate to the House more precisely where he sees the 250,000 jobs being created in the current year?

Mr. Chrétien: In Canada.

Hon. Donald S. Macdonald (Minister of Finance): There will be opportunities in the course of the budget debate and my colleague will be glad to comment on this point.

Mr. Stevens: My supplementary question is again for the Minister of Finance. As he has referred in his budgetary statement presumably to auxiliary work being created as was contemplated by the Economic Council of Canada, would the minister indicate if part of the 250,000 job creation is this auxiliary work concept of the Economic Council of Canada or, more specifically, is this a concept that will fall in place some time but there is no anticipation it will take hold in the current year?

Mr. Macdonald (Rosedale): This government has pioneered with regard to direct employment programs, and indeed there are a number of those currently in operation under the jurisdiction of my colleague, the Minister of Manpower and Immigration.

Some hon. Members: Hear, hear!

Mr. Macdonald (Rosedale): I will be looking forward, as I am sure the hon. gentleman will, to the participation of the minister in the budget debate pointing out the direct employment measures that he has in contemplation and in active operation in Canada.

● (1420)

REASON FOR FAILURE TO PROVIDE STIMULUS BY REDUCING TAXES AND INCREASING EMPLOYMENT

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I would like to ask a question of the Minister of Finance, the minister in the cabinet who specializes in major dishonesty.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Broadbent: The shoe is obviously on the other foot. Given the fact that the Canadian manufacturing sector is only operating at 80 per cent capacity and that therefore an increase in consumer spending at this time would not be inflationary but would simply lead to the creation of more jobs, I would like to ask the minister why, with 760,000 out of work in this country, he did not provide a major stimulus to the economy in his budget last night to get people back to work by reducing taxes.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I point out to the hon. gentleman what has been very clearly detailed in the Economic Review, that final domestic demand in Canada is and has remained at a very strong level for the past 12 to 18 months. Therefore, the further stimulus of consumer demand in Canada will not take up the slack in current production. Again, as I pointed out to the Leader of the Opposition, the export sector is and has always been a strong factor in Canadian economic performance. It is now recovering. This is an area of recovery which we see as important for full employment in Canada.

Mr. Broadbent: I say in all seriousness now—

[Mr. Chrétien.]

Some hon. Members: Oh, oh!

Mr. Broadbent: —that I may well have missed the metaphysical point of the minister's answer, but would he please explain to the House why an increase in consumer demand on top of what is already described as healthy consumer demand would not lead to further employment? I do not see the minister's argument in that regard. Would he kindly explain his point? Similarly, if 50 per cent of what we produce is now being exported abroad, what has that to do with the fact that by increasing domestic demand we would simply increase the percentage of goods sold at home? On both grounds, I simply do not accept the argument of the minister.

Mr. Macdonald (Rosedale): If the hon. gentleman does not understand, perhaps it would take longer than the question period to go into the details again.

An hon. Member: You don't know.

ESTIMATE OF UNEMPLOYMENT THIS YEAR

Mr. Edward Broadbent (Oshawa-Whitby): The minister may know a lot about law; I hope he learns some economics in the next few weeks. Would he answer a final question? Given the fact that his budget papers predicted an increase in the supply of jobs by some 250,000 next year—without giving any reasons to expect it, I might add—and given the fact that the increase in the number of people coming onto the labour market in recent months vastly exceeds that forecast for the increase in jobs, would the minister tell us whether he is really expecting, during the current year, a continuing rate of unemployment in excess of 7 per cent?

Hon. Donald S. Macdonald (Minister of Finance): I set out the anticipations of the government at some length in the speech last night.

Mr. Broadbent: There was no unemployment forecast.

Mr. Macdonald (Rosedale): Indeed, there was an unemployment forecast. Perhaps if the hon. gentleman and his colleagues had not been making so much noise during the speech, they might have noted that as well.

Some hon. Members: Hear, hear!

* * *

[*Translation*]

AGRICULTURE

ALLEGED PENALIZING OF MILK PRODUCERS RATHER THAN THOSE RESPONSIBLE FOR QUOTAS—GOVERNMENT POSITION

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I would like to address a question to the right hon. Prime Minister.

In the opinion of the Minister of Agriculture, it is last year's production surpluses that make the situation difficult for milk producers this year. Could the right hon. Prime Minister tell the house if the mistake is to be borne by the producers who obtained quotas to achieve a specific performance or to officials who distributed quotas, thus

unbalancing the whole dairy system in Canada? If so, why penalize producers and not officials?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think the facts are somewhat different from those the hon. member is speaking about. Quotas allocated under the milk policy were exceeded by producers last year. We even have alarming indications that they are going to be exceeded again this year. Facts are obviously different from what the hon. member has said.

As for the burden, we have decided as a policy that it will have to be shared, on the one hand, by producers who exceeded the quotas and, on the other hand, by the taxpayer in general who pays his share of the milk support price and, finally, by the consumer for whom prices will increase lightly.

Mr. Beaudoin: Mr. Speaker, I wish to put a supplementary question to the Minister of Agriculture.

As the Prime Minister just said that only those who exceeded their quotas will be penalized and as, in fact, those who did not even exceed their quotas of 1973-74, 1974-75 are penalized, can the Minister of Agriculture explain why the latter are penalized?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, as I said yesterday the provinces run the quotas within their jurisdiction through the provincial marketing boards and we run the over-all quota. How they administer them within their provinces is up to them.

[*Translation*]

REASON MARKETING COMMITTEES COMPOSED MAINLY OF FLUID MILK PRODUCERS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I wish to put a final supplementary question to the Minister of Agriculture.

Considering that the Prime Minister said recently to a colleague of mine that fluid milk was the responsibility of the provinces, can the minister explain why the positions on the management committees are now almost exclusively filled by fluid milk producers?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I do not appoint the management committees. Management committees are appointed by representatives of the boards from each province to represent them on this committee. I do not appoint them. The only appointments we make are to the Dairy Commission. This commission is not overly representative of any one group. One member of the Canadian Dairy Commission is not a producer, and one member is part fluid and part industrial producer, while the production of the other member is 80 per cent fluid.

* * *

ANTI-INFLATION PROGRAM

EFFECT OF REDUCING FIVE-YEAR ALLOWABLE PROFIT ON CAPITAL FORMATION

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, I have a question for the Minister of Finance. Bearing in mind that capital formation is the key to expanding industry and taking up the slack in unemployment, and noting that it is estimated we will have a shortfall in capital requirements in the next ten years of about $70 billion, can the minister explain how reducing the five year average allowable profit under the Anti-Inflation Board regulations from 95 per cent to 85 per cent will allow for the capital formation required?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the purpose of the changes in the anti-inflation regulations was twofold: first, to ensure more equitable treatment as between firms because of differences of application of the guidelines and second, to impose on firms a stricter control for the purpose of more effective control of prices. It seems to me that the essential part of further economic development, and capital formation in particular, in the next decade in Canada is going to be to get the current rate of inflation under control. In this sense, the effective operation of the anti-inflation program has to take priority.

* * *

THE CANADIAN ECONOMY

REASON FOR FAILURE TO STIMULATE MANUFACTURING AND THUS REDUCE BALANCE OF PAYMENTS DEFICIT

Mr. Bill Kempling (Halton-Wentworth): A supplementary question, Mr. Speaker. Noting that the continuing balance of payments deficit and the forecasted trade deficit of $4.5 billion and noting as well that our manufacturing is about 20 per cent underutilized, may I ask the minister why he did not move in the budget to stimulate this sector in an effort to spur production that would be consumed domestically and so reduce the level of imports and lower the trade deficit and balance of payments deficit?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, if the hon. gentleman is referring to a stimulative measure such as was introduced in the last budget with regard to the investment tax credit or in the previous budget with regard to the favourable rate of capital cost allowances for new investment in Canada, it seems to me there are already in place very substantial incentives on the business side for futher investment. The really critical question for a businessman is whether he is going to find a market for his products. An exporting firm must depend on the state of affairs in foreign markets. We have noted that they are improving and expect Canada to gain the benefit of that.

● (1430)

REASON FOR FAILURE TO ADOPT MEASURES TO STIMULATE INVESTMENT IN INDUSTRIAL PLANTS

Mr. Bill Kempling (Halton-Wentworth): A supplementary question, Mr. Speaker. As reported on page 10424 of

Hansard, the minister, replying to a question of the hon. member for Halifax regarding investment in plant and industry and steps the minister would take to stimulate investment, stated that questions of this type involving fiscal changes are best dealt with within the context of the budget. I ask, why did he not deal with this matter and the whole area of high interest rates, bearing in mind the difficulty all businessmen will face in putting together capital to expand their industrial plants in order to create the 250,000 jobs which the minister is forecasting?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I did, indeed, deal with that in the budget speech last night, pointed out that the panoply of measures we had in place for the purpose of stimulating investment in manufacturing in this country is very considerable and that a further tax change at this time is not necessary. The hon. member referred to the question of interest rates. Of course, they reflect the rate of inflation in Canada, and also the restrictive monetary policy which the hon. gentleman and others have been calling for the Government of Canada to adopt in the management of the economy. So, the hon. gentleman cannot have it both ways. If he wants a restrictive fiscal and monetary policy for the purpose of controlling inflation, he must expect higher interest rates.

REASON NO MENTION MADE IN BUDGET OF DISCUSSIONS WITH PROVINCES ON SOCIAL SECURITY

Mr. J. H. Horner (Crowfoot): Mr. Speaker, may I direct a question to the Minister of Finance? In the budget speech last night he suggested that there would be a tightening of unemployment insurance funds in order to save in the neigbourhood of $200 million; but no mention was made of the social security talks which are going on between the federal Minister of National Health and Welfare and provincial ministers of health and welfare, which suggest that $350 million in additional expenditure may be incurred in added social security costs. Are we to conclude from the fact that this was not mentioned that these talks will not go ahead?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the talks will go ahead. Discussions with provincial governments have been going on for a number of years in an attempt to find a more effective application of public funds in the social security area of our economy. Any changes, of course, will have to fit themselves within the fiscal framework which the federal and provincial governments have set themselves for this year and subsequent years.

Mr. Horner: A supplementary question, Mr. Speaker. The House and country are well aware that these talks have been going on and involve a suggested additional cost of $350 million in social security. Is the minister now saying that any changes will bring about no additional cost?

Mr. Macdonald (Rosedale): Mr. Speaker, I am saying that subsequent and further commitments of that kind will either have to be made within the existing fiscal framework, or there will have to be a conscious decision by both the federal and provincial governments to reallocate additional funds to this area of the economy.

[Mr. Kempling.]

Mr. Horner: Therefore the deficit will be larger.

Mr. Macdonald (Rosedale): No decision has been taken to that effect. These discussions will be subject to over-all fiscal controls which governments in the plural have set for themselves in Canada.

Mr. Horner: You have not set a very good example.

[*Translation*]

INQUIRY IF SAVINGS ON UNEMPLOYMENT INSURANCE WILL BE USED TO CREATE JOBS

Mr. Pierre De Bané (Matane): Mr. Speaker, I would like to ask a supplementary question.

Concerning the announced amendments to the Unemployment Insurance Act, can the Minister of Manpower and Immigration assure the House that all the money saved through these new amendments will be used to create employment in areas in Canada where unemployment is highest?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Yes, Mr. Speaker, I can give that assurance, based on understandings between myself, the Minister of Finance and the cabinet. The expenditure reduction is intended to be redirected to employment producing programs which will cover the whole field of manpower, for instance, training, short work week supplements and job creation. The details, of course, still have to be worked out.

EFFECT OF INCREASED OIL PRICES ON COST OF ELECTRICITY IN ATLANTIC PROVINCES—GOVERNMENT ACTION

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Prime Minister. In light of the confirmation in the budget last night that oil prices are to increase to about $2 per barrel, from $1.75, the devastating impact this increase will have on electricity prices in the Atlantic provinces and the lack of any statement in the budget regarding aid or assistance for the people of the Atlantic provinces, may I ask if this means that the government will not do anything to help the people of the Atlantic provinces deal with this enormous increase in electricity costs which have been as high as 100 per cent in one year for consumers in Nova Scotia?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe the Minister of Energy, Mines and Resources dealt with this question previously.

Miss MacDonald: He said, turn off the lights.

Mr. Trudeau: The hon. lady just confirmed that.

Mr. Baker (Grenville-Carleton): Will you accept that?

Miss MacDonald: Yes, he said they should turn off the lights.

Mr. Trudeau: Mr. Speaker, hon. members opposite seem remarkably well informed on the answers to their own questions.

Mr. Clark: Someone has to answer; somebody has to answer questions around here.

Mr. Trudeau: There have been some discussions between the federal government and some Atlantic province representatives. They made submissions to the government. I have received some letters from one of the premiers of the region making certain proposals and we have said we will study them. I have not encouraged them to think that there would be any great relief. As the hon. member knows, the federal government is short of funds. We are being enjoined every day to spend less—

Mr. Munro (Esquimalt-Saanich): And every day you are spending more.

Mr. Trudeau: —and this applies all across the board. Nonetheless, we are looking at the problem to see if we can find some solution.

Mr. Gillies: A supplementary question, Mr. Speaker. Can the Prime Minister say when a decision with respect to these consultations may be arrived at?

Mr. Trudeau: No, Mr. Speaker.

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UNEMPLOYMENT INSURANCE

NUMBER OF UNEMPLOYED WHO WILL FIND WORK AS RESULT OF CHANGES IN REGULATIONS

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, may I direct a question to the Minister of Manpower and Immigration? Last night the Minister of Finance said that changes in the Unemployment Insurance Act were designed to encourage those who are unemployed to find suitable jobs. Can the minister tell the House his estimate of how many people this is likely to affect, that is, how many people who are presently unemployed will find work because of these changes? I assume the minister has carried out some studies in this area.

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I look forward to the opportunity to elaborate on this and other aspects of my responsibilities in the budget debate at the earliest occasion, probably next week.

REQUEST FOR ESTIMATE OF NUMBER OF PEOPLE DISQUALIFIED AS A RESULT OF NEW REGULATIONS

Mr. Max Saltsman (Waterloo-Cambridge): A supplementary question, Mr. Speaker. Perhaps, because of the importance of the matter, it should be dealt with now, while the budget speech is fresh in people's minds. May I ask the Minister of Manpower and Immigration if his department has made any estimate as to how many of the people disqualified under the new system will have to obtain relief from municipal and provincial governments, and whether the $200 million listed as a saving to the federal government is really no saving at all but a transfer of cost to municipal and provincial governments?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, the matter is complex and I would not accept the final conclusion which the hon. member appears to have reached. I will go into those kinds of details when I make my comments, but I will say this: There is one interesting statistic applying to those who exhaust their benefits, that is, to those who use the full time of their entitlement. Among those in the eight to eleven week bracket, 70 per cent find jobs within six weeks after exhaustion. Something like 2 per cent of our claim load who exhaust benefits end up on the welfare rolls. That kind of calculation will be applied and made known in precise terms as a result of these amendments. I also point out that the hon. member is singling out only one proposed amendment and, conveniently or otherwise failing to note the other three important components of that package.

* * *

HOUSING

GOVERNMENT MEASURES TO STIMULATE CONSTRUCTION

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct my question to the Minister of Finance? In the absence of measures in last night's budget to stimulate housing starts in Canada, and as housing continues to be a major factor in the consumer price index, I ask the minister what programs the government intends to bring forward to stimulate house construction in Canada, particularly to provide low-cost housing for the many thousands of Canadians in the country who can no longer afford to buy a house?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the hon. gentleman has obviously overlooked the considerable program which my colleague, the Minister of State for Urban Affairs in charge of housing, brought before parliament and which is now in successful operation in Canada. As the hon. member will have noted, housing starts since the beginning of the year have been running at one of the highest rates ever in this country.

● (1440)

Mr. McGrath: If the government's housing program is so successful, can the minister explain to the House why housing costs in Canada continue to rise and why there are so many Canadians who cannot afford to buy a house because of exceedingly and critically high interest rates?

Mr. Macdonald (Rosedale): On the latter point, Mr. Speaker, the fact is the hon. member and his colleague have been talking favourably about a restrictive monetary policy in this country. If they are in favour of that policy, they have to accept the consequence of higher interest rates while inflation is at the present level in Canada.

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UNEMPLOYMENT INSURANCE

DISCRETIONARY PAYMENTS TO UNEMPLOYED PERSONS—REQUEST FOR TABLING OF STUDIES WHICH LED TO CHANGES IN REGULATIONS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a question for the Minister of Manpower and

Immigration regarding a matter referred to last night by the Minister of Finance in his speech. There is a problem in connection with payments on a discretionary basis to unemployed persons. Can the Minister give some indication of what he is talking about with regard to legislation, regulation and so on?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, we are proposing amendments to the legislation as part of this package. I think the hon. member is already familiar with some of the details and the possible use, to wit, the Newfoundland UI Manpower training experiment which is in its second year, and it has proven to be a wise decision, and other areas of that type. I will be giving further details when I have a fuller opportunity during the budget debate.

Mr. Alexander: Mr. Speaker, I wish to ask the minister, as I asked him before, if he is prepared to table or give some indication of the studies and conclusions which he has undertaken over the past two or three years and which allowed the Minister of Finance to come to these several conclusions with regard to UIC. Will the minister give us the benefit of all of his studies and the conclusion reached?

Mr. Andras: That is my intention, Mr. Speaker.

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FISHERIES

DATE WHEN 200-MILE LIMIT ADOPTED—REQUEST FOR TABLING OF AGREEMENTS WITH OTHER COUNTRIES

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, in the absence of any reference in the budget to fisheries and the loss of jobs in Atlantic Canada, I wish to direct my question to the Minister of State (Fisheries). According to press reports, the Minister of State (Fisheries) agreed in Moscow to a Soviet request for an even larger quota on capelin than the present 250,000 tons to be caught in 1977 on Hamilton Bank in return for part of Russia's redfish quota in 1976 in the northwest Atlantic,—

Mr. McGrath: The biggest sellout ever.

Mr. Crouse: —and since many species are now fished below the sustainable yield level, causing us to go begging to Russia for a share of their redfish quota, when does the government intend to announce a 200-mile limit for Canada?

Hon. Roméo LeBlanc (Minister of State (Fisheries)): Mr. Speaker, I am glad to answer this question if the House will allow me to correct some of the mistakes made by the hon. member. The employees of those plants who will benefit from our negotiations in Moscow will certainly remember the words of the hon. member for St. John's East when the time comes.

Some hon. Members: Hear, hear!

Mr. LeBlanc (Westmorland-Kent): The Soviet Union did not ask us for assistance; we asked them for assistance to overcome a very difficult situation which results, in part, from the fact that part of the industry did not carefully husband those stocks of redfish which were available in the Gulf of St. Lawrence. I might remind the hon. member that this is simply a situation whereby we get part of the Soviet Union's quota in 1976 in exchange for our support for a higher quota on their part for capelin.

Mr. McGrath: Shame!

Mr. LeBlanc (Westmorland-Kent): If the hon. member listened instead of shouting, he might learn something.

Some hon. Members: Hear, hear!

Mr. LeBlanc (Westmorland-Kent): The hon. member might be interested in knowing that the total allowable catch for capelin on the northern capelin fishery is 300,000 ton. At the moment, somewhat less than 200,000 ton are taken. This means that whatever arrangement is made within the ICNAF regulations on capelin, it will be well below the total allowable catch in the first instance.

Mr. Crouse: Mr. Speaker, the minister's own officials have indicated that they cannot police the capelin quotas and, in some years, double it. Therefore, the minister's statement is open to question in that regard. In view of the concern in Atlantic Canada about the extensive overfishing by foreign fleets on our continental shelf, will the minister undertake to make available to this House the details of our agreements with Britain, Denmark, Portugal, Norway, Spain, France, the U.S.A. and the Soviet Union so that all Canadians will know the terms of these agreements that have been arranged with these countries by the minister and other officials of the government?

Mr. LeBlanc (Westmorland-Kent): Mr. Speaker, three of the documents, namely the agreements with Norway, Poland and France, are already public. The two with Spain and Portugal will be released when they are officially signed, which is the normal diplomatic tradition. As for the agreement signed last week with the Soviet Union, it will be tabled in the Standing Committee on Fisheries and Forestry within the next hour.

RUSSIAN QUOTA OF CAPELIN—METHOD OF POLICING VIOLATIONS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I have a supplementary question for the Minister of State (Fisheries). As a result of Canadian inspections under our bilateral agreements with these nations, it was found that the U.S.S.R. overfished capelin by 80,000 ton. Will the minister tell the House and the country what quotas he is talking about with regard to Russia and how he expects to police in view of the 99 individuals vessel violations which have already been found under the bilateral agreements?

Hon. Roméo LeBlanc (Minister of State (Fisheries)): Mr. Speaker, the figures with regard to actual tonnage involved in both redfish and capelin will be part of the discussions which will take place at the ICNAF meeting next month. For that reason I am not at liberty to express what they are. As for violations, the hon. member will recall that last year the ports on the east coast were closed to Soviet vessels as a consequence of our warnings about

violations. In fact, the hon. member for St. John's East opposed that action at that time.

Mr. McGrath: That's not true.

Mr. LeBlanc (Westmorland-Kent): I will look up the page number of *Hansard* and give that to the hon. member tomorrow. At that time violations were reported, we moved and the violations ceased for the rest of that year. For the present year, the quotas were reached seven days ago and the fleet left area 3L, if my memory is correct, and there are no records of violations.

* * *

● (1450)

[*Translation*]

EXTERNAL AFFAIRS

PARTICIPATION OF CANADA IN COMMON FUND ESTABLISHED BY UNCTAD—GOVERNMENT POSITION

Mr. Charles Lapointe (Charlevoix): Mr. Speaker, in the absence of the Secretary of State for External Affairs, I would like to direct my question to his parliamentary secretary about the United Nations Conference on Trade, Aid and Development.

Could the parliamentary secretary tell the House whether Canada intends to go further than giving sympathetic consideration to the establishment of a common fund for the regulation of raw material prices, and whether we intend to take a definite step in this field before the conclusion of the conference?

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, Canada, which is part of the "B" group of developed countries which are political partners at UNCTAD IV now in its last week of deliberations in Nairobi, is in the vanguard among that group, I believe, and is trying the best it can, as I indicated yesterday to the hon. member for Egmont, to work in a positive manner with "B" group countries towards a resolution on the stabilization of the raw material market. We keep thinking that the idea of a common fund is not necessarily, if I understand well, the best stabilization technique. That principle would perhaps be worthwhile only for half the ten vulnerable commodities in question, and it is not sure it would be helpful most of all to the poorest nations, which is Canada's strategy. However, any effort which would seem to lead to a reasonable arrangement with a view to helping Third World countries will certainly be encouraged and promoted by Canada.

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HARBOURS

ESTABLISHMENT OF PORT AT GROS-CACOUNA—REQUEST FOR PROGRESS REPORT

Mr. Eudore Allard (Rimouski): Mr. Speaker, my question is directed to the Minister of Transport.

Following a question I asked on November 3, 1975, which can be found on page 8778 of *Hansard*, I would like to know whether the minister is in a position to inform the House of the conclusions of the in-depth studies which were made into the development of the deep-sea port at Gros-Cacouna?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, a number of discussions have been going on with persons interested in investing in that port area but these have not yet reached a final conclusion. The joint study undertaken between the province of Quebec and the government of Canada is not yet complete.

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THE CANADIAN ECONOMY

REASON FOR FAILURE TO FORECAST FUTURE ECONOMIC CLIMATE TO ENABLE BUSINESS TO DO PROPER PLANNING

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is for the Minister of Finance. In view of the serious trade deficit from which Canada is now suffering, why did the Minister of Finance not take the opportunity that was available to him in the presentation of his budget to forecast the economic climate that business can expect in the years 1977, 1978 and 1979 so that proper planning can be undertaken by the business community with a view to balancing this serious deficit?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I have previously had occasion to point out the essential difficulty of making a reliable forecast that far in advance. Indeed, this has been recognized by governments in Canada for a long time. We prefer to leave to institutions like the Economic Council the responsibility of predicting what economic events will be in the medium and long term.

* * *

ANTI-INFLATION PROGRAM

RESULT OF CHANGE IN REGULATION CONCERNING PRE-TAX PROFITS

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, my question is for the Minister of Finance. In his budget speech last night the minister, in referring to the AIB guidelines, reduced the net pre-tax profits from 95 per cent to 85 per cent, with an option on the base line. Will this not have a very dampening and depressing effect on business activity and efficiency, particularly since the base period stretches back over five years, a period in which we have had inflation?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the purpose of providing an option is so that the firm in question may pick whichever, from its standpoint, is the most favourable of the two positions. Our conclusion from the returns analysed by the Anti-Inflation Board is that it is important in terms of equity to a very large number of firms to get all firms on an equal basis, and it is

our belief that this is a basis which is fair to all firms generally and which will also exercise some discipline on the increase in prices in Canada.

* * *

FINANCE

MEASURES TO CONTROL HIGH INTEREST RATES AND REDUCE HOUSING COSTS—POSSIBLE PAYMENT OF SHELTER COSTS FOR LOW INCOME GROUP

Mr. John Gilbert (Broadview): Mr. Speaker, my question is directed to the Minister of Finance. In view of the fact that housing costs have increased 14.3 per cent in the month of April and 11.5 per cent over the past year, in view of the fact that the average wage earner pays 30 per cent of his wages for housing, and in view of the fact that interest rates are 12 per cent and increasing, it must be obvious to the minister that the housing programs that he had proposed are not working. What measures does the minister intend to take to control high interest rates and housing costs?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, from the housing starts level in Canada I would draw the opposite conclusion. I point out to the hon. gentleman that in the range of programs being administered by my colleague there are indeed provisions to bring down the net interest cost to those at the lower level of the income scale.

Mr. Gilbert: Mr. Speaker, I am sure that the minister will understand my next supplementary question. In view of the high vacancy rate, especially in urban centres like Toronto, and the excessively high rents being paid, and in view of the lack of a program with regard to low income housing, would the minister pay shelter costs to people of low and moderate income so that they may be able to pay the high rents they are now paying, as well as following the suggestion of the Ontario government and social agencies?

Mr. Macdonald (Rosedale): Mr. Speaker, as the hon. gentleman knows, both in his constituency and in mine there are programs in place already to provide favourable rates of rent to those in the lower income brackets. Indeed the programs now in place and being carried out by my colleague's department are specifically related to favouring the situation of those at the lower end of the income scale.

* * *

[Translation]

MANPOWER

NAME OF MERGED OFFICES OF UNEMPLOYMENT INSURANCE AND MANPOWER

Mr. Raynald Guay (Lévis): Mr. Speaker, my question is for the Minister of Manpower and Immigration.

Given the work incentive measures announced in the budget yesterday and the proposed amendment to the Unemployment Insurance Act, which will make it a work or wage insurance, and the proposal to merge manpower and unemployment insurance centres, does the minister intend to propose that these manpower and unemployment insurance centres be simply called employment centres and that his department become a Department of Employment?

[English]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Yes, Mr. Speaker. The exact name has been narrowed down to one or two choices which probably I will be able to announce next week, Tuesday or Wednesday; but I can assure the hon. member and other hon. members of the House that it will emphasize the word "employment" as compared with "unemployment".

* * *

PENSIONS

POSSIBILITY OF DEFERRED PAYMENTS INTO SUPERANNUATION ACCOUNT

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the President of the Treasury Board. In consideration of the government's program of budgetary restraint, would the minister advise the House whether the government has deferred any payments or obligations that it may have toward the public service superannuation account, the armed services superannuation account and any other pension fund to which the government has the right and obligation to make payments? If that was done this year, was it done in previous years? Perhaps the minister would refer in his answer to the exact amount by which the accounts may be in arrears, if they are.

[Translation]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, I have no indication that any such thing was done. However, I shall check and give the hon. member a more specific answer.

* * *

[English]

REGIONAL ECONOMIC EXPANSION

EFFECT OF REDUCED BUDGET OF DEPARTMENT—FAILURE TO PROVIDE STIMULUS FOR RESOURCE INDUSTRIES IN NEW BRUNSWICK

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. Since the budget speech has failed to provide any new stimulus for resource based industries in New Brunswick, does the Minister of Regional Economic Expansion have any new development initiatives in mind, or does the reduced purchasing power of his budget indicate that DREE is no longer a priority of this government?

[Translation]

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, I do not believe the hon. member can come to the conclusion that because the budget of the Department of Regional Economic Expansion was frozen, like every other department's, activities in the Maritimes have been reduced. On the contrary: precisely as a result of

the budget tabled a few months ago and the estimates being spent this year, we will be spending even more in the Maritimes this year than last.

With regard to specific programs we are now in the process of planning to face specific problems in the Maritimes, the hon. member can take for granted that the department, my officials and myself continue to dwell on specific problems, and we will be coming forward with proposals to deal with some of those difficulties within the next few months.

* * *

FINANCE

INQUIRY IF PURPOSE OF UNEMPLOYMENT INSURANCE CHANGES TO REDUCE BUDGETARY DEFICIT

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a question for the Minister of Finance.

A while ago, the hon. member for Matane said that the savings made because of unemployment insurance changes would go towards job creation. From what I understood last night, the minister underlined the importance not only of stopping budgetary deficit increases, but also of reducing the deficit. I wonder if the Minister of Finance is in agreement with the Minister of Manpower and Immigration or if his budget aims rather at reducing this budgetary deficit?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, we have indicated a ceiling for our budget, and the funds mentioned by my colleague will be transferred from unemployment insurance to the programs referred to.

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THE CANADIAN ECONOMY

REQUEST FOR ESTIMATE OF UNEMPLOYMENT LEVEL THIS YEAR

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I have a supplementary question.

[*English*]

My supplementary question is addressed to the Minister of Finance. Would the minister specifically advise the House whether he forecasts 7 per cent, 7.5 per cent or 8 per cent unemployment for the following year?

[*Translation*]

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, perhaps I could invite the hon. member to read my speech.

● (1500)

[*English*]

EXTERNAL AFFAIRS

INQUIRY IF CANADA CONSULTED ON WITHDRAWAL OF CUBAN TROOPS FROM ANGOLA

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my final supplementary question is addressed to the Prime Minister. Would the right hon. gentleman indicate whether Canada was consulted, or was there any advance notice of Cuban troops leaving Angola? Did Premier Castro advise the Prime Minister of any movement of troops, and are those troops being transported via an Air Canada DC-8 that he lent him?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I have some difficulty in accepting that as a supplementary question.

Mr. McGrath: Mr. Speaker, I rise on a question of privilege involving the Minister of State (Fisheries), whom I have always found to be fair in my dealings with him, though never entirely as competent as I would like to see him in carrying out his administrative responsibilities. My question of privilege today, Mr. Speaker, is that at the time of the closing of our ports to Soviet fleets I said publicly this was a sacrifice we were prepared to make to cover up for the failure of the government adequately to manage this important resource.

Mr. LeBlanc (Westmorland-Kent): Mr. Speaker, I undertook to verify the exactitude or precision of the words I used. If I did mislead the House or offend the hon. member, I will be the first to stand up and apologize.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order involving the Minister of Finance, the budget address last night, what was contained therein and what may have occurred prior to it. I am referring to a report in yesterday's St. John's *Daily News* in which the hon. member for Bonavista-Trinity-Conception is quoted as saying—and this prior to the budget speech last night—that he would be resigning, or at least was considering resigning because of the budget provisions. He used those general words, then he specifically related his reason for resigning to changes contemplated in the budget to the unemployment insurance matter.

I have raised matters of budget leaks or pre-information with the minister before, and the minister has looked into these matters. I am raising it again because there is an indication in the media that somewhere, something in respect of the provisions of this budget was discussed, as a result of which the particular member, who is not now in his place, made a statement regarding his own personal position. I think the minister owes the House an explanation, if he is able to give one today. If he is not able to give one today, he owes the House an explanation on some other occasion. I think, as well, that the hon. member for Bonavista-Trinity-Conception owes the House some indication as to where he received that information.

Not only does this situation lead us to that conclusion, confirmed last night in the budget speech in the fact that it

did mention unemployment insurance regulations; it leads us to the question of what else was discussed, perhaps in the Liberal caucus, perhaps in some other place or in some other media, in respect of the budget and information which ought not to have been released ahead of time. That is the first question in my point of order.

The second matter is something that affects members of this House directly and results from what occurred last evening. During the course of the pre-budget briefing, certain members representing our party, and members of the press, were locked up in the usual fashion and an indication was given of the budget speech the minister would be making later on. I am advised that during the course of the lock-up yesterday, the minister taped a television program. I am not quarrelling with the idea of security in respect of this matter, but he taped a television program in the form of a press conference which was then delivered on national television immediately following, or within minutes of the minister rising to make his speech in the House.

As I indicated to you, Mr. Speaker, and to the minister, I am not quarrelling about the secrecy aspect of it. The unfortunate thing is that we who are members of parliament in this House of Commons did not even have the benefit of a copy of the minister's speech on this matter until the last two or three minutes of his speech, when we were informed that the speech had become available in the lobby. The difficulty for hon. members, regardless of the side of the House on which they sit, is that there is no opportunity at all, especially in the course of a long budget speech, for members to prepare themselves in order to answer questions to be asked of them by the media in the way of interviews outside or by boards of trade and chambers of commerce, in a local sense, in the areas represented by members of parliament.

I know we cannot undo what was done last night, but I respectfully suggest to you, Mr. Speaker, and to the Minister of Finance, that if he is to be on national television at eight o'clock, by way of a prerecorded broadcast made in the lock-up, then members of this House are at least entitled to copies of his speech immediately he begins to deliver it in the House.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): The speech at that time ceases to be a matter of secrecy, but it does not cease to be a matter of importance in this House to the members here and the people we are representing. I do not want to accuse the minister of bad manners, and I will not, but I am going to say—

An hon. Member: Go ahead.

Mr. Baker (Grenville-Carleton): —that we tried throughout the course of the speech to get copies, and I am sure this occurred to others, so that members of our party who had an interest and a particular responsibility could prepare themselves and follow the written text by the minister. I refer to members other than those who were involved in the lock-up. If that is the tradition around here, it is one of those traditions that ought to be changed. My experience is certainly not as long as others in this place, but my understanding is that it is not the tradition that speeches be distributed to members in the lobbies within a few minutes of the end of the minister's speech. Rather, it has been the tradition that the budget speech is made available more or less at the beginning of the minister's speech in the House. If that is the tradition, it should be observed. It was not observed last night, and I think the minister ought to give the House an undertaking that this practice will not occur again, if he is responsible in the future.

[Mr. Baker (Grenville-Carleton).]

Mr. Macdonald (Rosedale): Mr. Speaker, the hon. member has raised two points in his point of order, although I think the second would essentially be a grievance. I can tell the House, with regard to the fiscal statutes—which are under my specific responsibility as Minister of Finance—that no element of those statutes was discussed with any person other than a member of my department, or another member of the Privy Council, that is to say, another member of the present cabinet.

The changes in the unemployment insurance administration have, of course, been under discussion in this House and in the Liberal caucus for many months. It is indeed true that the options the government was considering, which had been indicated to the House and to the committee by the minister some months ago, were the subject of discussions. The other economic statutes that may be related to the responsibilities of the government have not been subject to the same rules as those involving taxation or the operation of fiscal policy, and there has been no violation of the proceedings in this regard. With regard to the second point—

Mr. Woolliams: Mr. Speaker, before the Minister of Finance moves to the second point, could I just—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Macdonald (Rosedale): With regard to the second point, the hon. gentleman used the phrase "the minister taped" a program. In fact, I did attend a press conference in the press lock-up yesterday afternoon prior to delivering the budget speech. At that time I answered questions from members of the press who subsequent to that, of course, remained in the lock-up until I rose to my feet to deliver the speech at eight o'clock. I am advised that for at least 20 years, if not longer, it has been the practice that members of the press gallery be admitted in advance for a briefing during the lock-up proceedings, and that it has also been the practice at eight o'clock for the press to be free to use the information then for the purpose of filing their reports whether it be through the written media or put out through the electronic media.

● (1510)

The hon. member for Oshawa-Whitby contacted me last Friday with a number of requests concerning the practice that had taken place for advance briefings in respect of selected members of the opposition, as opposed to the press, who would be present prior to delivery of the budget statement. The member pointed out, I think with some reason, that the press were at liberty to make public the briefing once the budget speech had commenced, but that

under the practice which had been operative for some time, members of the opposition were not permitted to comment on it until after the Minister of Finance had completed his speech.

The hon. member for Oshawa-Whitby made the point that surely it would be common sense and appropriate that members of parliament should be at liberty, as are members of the press, to comment from eight o'clock on upon what they had learned in the course of the budget briefing. I considered that over the weekend my staff advised the hon. member for Oshawa-Whitby and, I am advised by the staff, also the Leader of the Opposition and other parties, that they would be free to do so. I am informed that, acting on this advice, the hon. member for York-Simcoe immediately after eight o'clock took advantage of it to put his own interpretation on the budget at 8.15.

The point is that if the hon. gentleman is to be entitled to make his comments, as I agree, immediately after eight o'clock, it seems to be equally clear that I should be entitled to have my comments put on the air. To do otherwise would be to have put the press in the position of being able to comment on the budget speech while it is being given, and to give the opposition the opportunity to comment on the budget speech while it is being given, but not to permit the deliverer of the speech to have his views expressed at the same time. So, Mr. Speaker, I conceded right away that this is a change in practice. It seems to me to have been a sensible change in practice. In the first place, it makes it possible for the opposition spokesmen to comment on the speech and for my views to be made known in that manner.

In connection with the distribution of the copies, I obviously did not have direct administrative control of the manner in which they would be distributed. However, I agree essentially that they should be delivered to members as soon as possible. I suggest that this procedure, based on a collection of precedents and conventions which have arisen around this, obviously is one area in which our whole budget procedure should be changed. It seems to me that by enabling statements to be made outside the House while the speech is going on, we are really debasing the procedure here in this chamber. There are several options in this regard. One is the notion that we should come back to the custom, which I understand from the hon. member for Mississauga was the case when his father occupied my present portfolio, of locking up the press until 9.15, 9.30 or until the minister had finished.

It seems to me that there would be no particular value in reverting to that practice. I suggest a change should take place in the procedures of the House so that we can have really a more current debate dealing with the budget speech when given. My present preference in respect of the budget statement would be to have all the proceedings of the House of Commons broadcast from the House through the media of television or radio broadcasting.

Since the budget statement is a lengthy and closely reasoned argument with regard to the state of the economy and what should take place, it seems to me that the budgetary statement should be made available in written form, in advance, and that we should then find procedures by which members would be able to debate orally on its contents under appropriate safeguards with regard to advance information. That is the background of the situation.

I come back again to the fact that I was yielding to an opposition request to improve procedures in dealing with the budget speech. I regret, in particular, that members on that side—and indeed I apologize to colleagues on my side—were not given copies of the budget statement or that they were not available to them as the statement was being given. The conclusion I draw from it is that this is one of the areas in which the ancient procedures which have gathered around this practice should be re-examined. We should see if we can find some twentieth century way of dealing with this matter.

Mr. Speaker: The hon. member for Oshawa-Whitby.

Mr. Woolliams: Mr. Speaker, I wonder if I could ask a question on the first point.

Mr. Speaker: I presume there will be further comments. The Minister of Finance did refer to the hon. member for Oshawa-Whitby, who was seeking the floor simultaneously when I recognized the minister.

Mr. Broadbent: Mr. Speaker, following the two previous speakers on this point of order, I should like first of all to acknowledge the point the minister made in reference to my specific request to him last Friday about changes in our procedure to enable spokesmen from all opposition parties to comment on the budget just as soon as he presents it at eight o'clock. As he said, it would seem to be common sense that for those of us in opposition to be able to make public comments at 8 p.m. if the press and the minister can be quoted outside the House at that time. Certainly, on behalf of my colleagues—and, I hope, all members of the opposition—I appreciate the change in this regard.

He did not mention a further request which he did not concede to but which I hope he will consider adopting, that is, that members of the research staff for the opposition parties be permitted to be in during the lock-up for the briefing. Just as he had his public servants working for him, some of us rely from time to time on our much more limited in size, but not in quality, research staffs as well. I think this is an appropriate and serious consideration the minister should think more about in terms of further changes in this procedure.

With regard to the points made by the House leader of the Conservative party about the speech not being delivered in advance to members on both sides of the House, I agree, of course, with the suggestion made that it should be; but I can fully understand, particularly in light of last night's budget, why it was not. Such a budget would have driven not only members of the opposition out of the House at the outset but would have had the same effect on the minister's colleagues.

Mr. Woolliams: Mr. Speaker, reserving the right to answer according to what the Minister of Finance may reply, I should like to ask him a question in reference to the first point raised by our House leader concerning the statement made by the hon. member for Bonavista-Trinity-Conception in which he mentioned that he would resign if, in the budget, there were changes in the term and time

which would increase the period from eight weeks to 12 weeks.

● (1520)

My point is—and I think it would clear the air if we could get a clearcut answer—that I am not talking about a general discussion in relation to unemployment insurance statutes but I am asking the minister: Did he discuss with any member of parliament, either on his side or on this side, that these facts would be contained in the budget speech that he read last night? That is the point. If his answer is yes, then to me that would be a definite leak of the budget.

Mr. Macdonald (Rosedale): Mr. Speaker, I will say that the possible changes to the Unemployment Insurance Act were discussed in the Liberal caucus. The point I would make to him, and I made it before, is that in relation to fiscal statutes which are my specific responsibility, there was no discussion of these matters, either with the Liberal caucus or with any unauthorized person.

Mr. Lambert (Edmonton West): Mr. Speaker, I have a few brief remarks. Unfortunately, last night's presentation of the budget address was hollow and unreal. First of all, I would like to say that I, personally, having participated in budget addresses for many years, have always felt that the Minister of Finance is addressing the House on these occasions. He is speaking to the House, not to the media or not to outside persons at all. This is merely another instance where I think well-meaning people actually downgrade and denigrate the status of this House.

It is not so many years ago that members of the opposition were allowed a period of prebriefing which the press has had for years. I recall that it is not so many years ago, either, that the press could release information only when the minister finished reading the budget address. If one went back to that practice, there would be none of this so called argy-bargy that is going on at present. If the press and the media have access to the air waves and to the television screens immediately after eight o'clock, then, naturally, there is pressure by members of the opposition who may have had an opportunity to see the budget to seek the same access.

Then the minister comes along and says that if the media have access and so has the opposition, why should he not have it. In other words, what tail wags the whole dog? I suggest to you, sir, that merely the fact the media have been allowed to comment on the budget immediately at eight o'clock has been at the root of this difficulty. In my view, the answer is not to put this on the television screen. It was tried at Queen's Park some three years ago. The provincial treasurer spoke at that time for the same length of time as did the minister last night, for 90 minutes or more, and the total audience was lost insofar as the budget was concerned. No minister can hold an audience for 90 minutes, particularly with the type of budget that is sometimes delivered.

It is my suggestion, as a means of improving the procedure, that if there is to be a lengthy budget statement, the minister, within the rules as they now stand, should indicate that he will make a short address, seek the leave of the House to table his budgetary statements, then merely give the highlights and sit down. The document will have been in the hands of the opposition and the opposition spokesmen, instead of having to wait until ten o'clock to make their comments to the press—as was done last night—could wait, as I have done in the past, until the minister had finished his comments on the budget.

I suggest that if we are going to pay attention to the media, the national audience is lost if it has to watch the whole proceeding. This is my suggestion regarding how these proceedings could be shortened. The budgetary statement and the accompanying documents would be in the hands of hon. members, there could be a statement and questions, and then debate could start by ten o'clock. I offer that suggestion.

Mr. Speaker: The hon. member for Edmonton West has made some remarks on the point of order which was originally raised, and logically put forward his suggestions. I would not want this afternoon to get into a situation in which all hon. members who have suggestions with regard to this point of order would seek the floor to speak. The point has been discussed and I think the general will has been expressed. Surely the competent body, which I think is the Standing Committee on Procedure and Organization, should look at this question of the budgetary presentation to see whether or not before the next budget is presented all recommendations by hon. members might be given proper consideration, in the hope that a procedure can be developed which will satisfy the desires and ambitions of anyone who wishes to make some comments this afternoon.

Mr. Lambert (Edmonton West): Mr. Speaker, I have a question—

Mr. Speaker: Questions have been put to the minister, and there are others who seek to ask questions of the minister. This procedure is irregular. A point of order has been raised. There is much interest in the subject. Those who seek the floor this afternoon in the capital punishment debate are expecting to speak, and I do not think we should now get into a further question period with the Minister of Finance.

Mr. Woolliams: Mr. Speaker, I would like to raise a question of privilege resulting from the question I raised earlier. I have two short examples. One is a case which arose in 1936 in the British House of Commons. At that time Mr. Thomas, the colonial secretary, merely made a remark to a member of parliament of his own party, a Mr. Butt, that taxes may increase on tobacco and beer, following which he went into the House to read his speech. Later it was reported. In cabinet next morning he realized his indiscretion and resigned. It was laid down in Keith's book on constitutional law that there is a fundamental principle behind the doctrine of secrecy when a budget is drafted. The idea is not only to avoid evil, but to avoid the appearance of evil. The idea behind the whole thing is that a leak might permit someone to benefit from the information.

Then there is a second case, that of Sir Hugh Dalton in 1945. When he was walking into the chamber, he spoke to a Mr. Carvel, a newspaper reporter for the *Star* in England, and made some remark about taxes on sugar. After some

discussion, a committee was set up to study the situation. This is what Mr. Dalton said in his letter of resignation:

My dear Prime Minister,

In view of the incident which was raised today in the House I think it is my duty to offer you my resignation. If you accept it I shall continue, though now outside its ranks, to do my utmost to support the government—

In reply, the late Sir Winston Churchill wrote the following:

I realize that this indiscretion in itself did not result in any action detrimental to the state, but the principle of the inviolability of the budget is of the highest importance and the discretion of the Chancellor of the Exchequer, who necessarily receives many confidential communications, must be beyond question.

Therefore, Mr. Speaker, we must not consider this matter hastily and dismiss it. A special committee was set up at that time, and this is what they said:

1. Mr. Dalton made a premature and unpremeditated disclosure—

Mr. Speaker: Order, please. I should stress to the hon. member for Calgary North that there is no serious disagreement with the precedents he is citing, but I am not clear as to what he is attempting to raise. Is he putting forward a question of privilege that there has been a budgetary leak of any sort? If so, I would welcome hearing that proposition from the hon. member. His arguments in support of that matter are not being questioned.

Mr. Woolliams: Mr. Speaker, my point is this. I ask the Minister of Finance what was discussed in caucus in a general way: Was it in reference to the statutes, or was the Liberal caucus asked, "If I put this in the budget, will it be palatable to the constituents you represent?" If he went that far, or if he admits he disclosed information to his own caucus, then I say he is vulnerable. He should take the responsibility for the decision he made. That is why I quoted examples. These are very important precedents. That is why we have a rule of secrecy with regard to the budget. Everything depends on the manner in which these matters were discussed. I put this fairly and squarely through you to the minister, Mr. Speaker. I hope the minister will answer me in that regard.

Mr. Macdonald (Rosedale): Mr. Speaker, surely I have already answered this.

Some hon. Members: Hear, hear!

● (1530)

Mr. Macdonald (Rosedale): I indicated that the possibility of a range of changes in the Unemployment Insurance Act was discussed in the Liberal caucus by the members of that caucus.

Mr. Woolliams: In reference to the budget?

Mr. Macdonald (Rosedale): In reference to possible changes to be announced at the time the budget was announced. I also remind the hon. gentleman that he also has confirmed my own case. The two examples he cited have been with regard to the statutes affecting the fiscal responsibility of the Minister of Finance, and not those relating to the responsibility of another minister.

Order Paper Questions

ROUTINE PROCEEDINGS

[*English*]

HOUSE OF COMMONS

TABLING OF EXTRACT FROM MINUTES OF COMMISSIONERS OF INTERNAL ECONOMY ON TELEPHONE FACILITIES

Mr. Speaker: I have the honour to lay upon the table an extract from the minutes of a meeting of the Commissioners of Internal Economy held on Wednesday, March 24, 1976, concerning telephone facilities. The text of the foregoing extract will be printed in today's *Votes and Proceedings.*

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, I seek unanimous consent to move the concurrence of the House in the report which you have just tabled.

Mr. Speaker: Such a motion can only be moved at this time with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Motion agreed to.

* * *

MISCELLANEOUS PRIVATE BILLS

Eleventh report of Standing Committee on Miscellaneous Private Bills and Standing Orders—Mr. Loiselle (Saint-Henri).

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

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 5,157, 5,309, 5,311, 5,351, 5,352, 5,358 and 5,416.

[*Text*]

UIC OFFICE, 1650 CARLING AVENUE, OTTAWA

Question No. 5,157—**Mr. Cossitt:**

Have any architects, consultants, or interior decorators, etc. been engaged by the government in connection with any proposed new premises to be occupied by the Ottawa Unemployment Insurance Commission office presently located at 1650 Carling Avenue and, if so (a) what are the names and addresses of such persons or firms (b) what is a full description of the work that they are performing (c) what is the estimated amount of money that will be paid to each such person or firm (d) what is the total amount of money estimated to be expended in this regard?

Hon. C. M. Drury (Minister of Public Works): Yes; (a) Edward J. Chuhaci, Architect, Suite 5, 46 Elgin Street, Ottawa, Ontario, KIP 5K6 (b) The consultants prepared furniture layouts, final working drawings indicating partitions, telephone and electrical requirements, detailed construction drawings for fitments and cabinetry, and specifications for finishes and colours in the L'Esplanade Laurier Building, Ottawa. (c) $15,000. (d) $15,000.

Order Paper Questions

ATOMIC ENERGY CONTROL BOARD—CONCENTRATION OF RADIOACTIVE GAS RADON

Question No. 5,309—**Mr. Lawrence:**

1. What is the maximum concentration of the radioactive gas radon which is presently considered by the Atomic Energy Control Board to be permissible without causing a public health hazard?

2. Does the Atomic Energy Control Board have any plans or proposals for reducing, or otherwise altering, the current safety standard and, if so (a) what will become the maximum permissible safe level of radon concentration (b) on what date will the new standard be adopted (c) what is the purpose of and reasons for changing the existing standard?

Mr. Maurice Foster (Parliamentary Secretary to Minister of Energy, Mines and Resources): The Atomic Energy Control Board reports as follows: 1. The maximum permissible concentration of radon in air, as of other radioactive isotopes, is derived from the maximum permissible doses of ionizing radiation specified in the Atomic Energy Control Regulations. In the case of radon almost all of the dose comes from the radioactive "daughter" products produced by the decay of radon. Depending on the rate of change of air in a particular room or space, the amount of dust, and other factors, the amount of these daughter products present may be equal to or considerably less than that which results from radioactive equilibrium. Assuming radioactive equilibrium, the worst case, the maximum permissible concentrations, for members of the general public, are: (a) 1 picocurie per litre (above natural background) for continuous occupancy (in a private dwelling); (b) 3 picocuries per litre (above natural background) for 40 hours per week occupancy (public buildings or business premises). The naturally occurring background in dwellings in the Port Hope region range from 0.5 to 3 picocuries per litre. Measurements made in buildings in Port Hope indicate that the daughter products are present only to 20 to 40 per cent of that which would result with radio-active equilibrium. The maximum permissible concentration for radon varies inversely with the per cent of equilibrium of the daughter products. If, for example, the daughter products are present to only 25 per cent of equilibrium the maximum permissible concentrations are (a) 4 picocuries per litre (continuous); (b) 12 picocuries per litre (40 hours per week occupancy).

2. The Atomic Energy Control Board does not have any plans for reducing, or otherwise altering, the maximum permissible doses of ionizing radiation specified in the Atomic Energy Control Regulations.

ONTARIO COMMUNITY COLLEGES—TRAINING OF STUDENTS IN ENGLISH LANGUAGE

Question No. 5,311—**Mr. Baker (Grenville-Carleton):**

1. How many seats have been purchased by the Department of Manpower and Immigration for training of students in English, as a second language, at Algonquin College and other similar colleges in Ontario for the period April 2, 1976 to December 31, 1976?

2. Is it the intention of the Department to carry on a similar programme for the year 1977 and, if so, to what extent?

Hon. Robert K. Andras (Minister of Manpower and Immigration): 1. For the period April 2, 1976 to December 31, 1976 there have been 4,401 seats purchased in English as a Second Language Course in Ontario Community Colleges (60 of them being in Algonquin College) to provide language training to immigrants.

2. The Department has every intention of carrying on a similar program in 1977 but its extent has not yet been fully determined.

FRENCH COURSES GIVEN AT CHATEAU MONTEBELLO FROM DECEMBER 8 TO 11, 1975

Question No. 5,351—**Mr. Cossitt:**

1. With reference to the answer to Question No. 3,776 which stated in part that fifteen persons spent from December 8 to 11, 1975 at Chateau Montebello studying French at a cost to the taxpayer of $2,186.55, what are the names, job designations and addresses of such persons?

2. What is the specific breakdown of the cost figure of $2,186.55 and how much of this was for (a) room accommodation (b) meals (c) drink (d) tuition (e) anything else?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): I am informed by the Public Service Commission as follows: It should be noted that the Public Service Commission's records show the students' departments, not their addresses. 1.

Name	Department	Classification
Cleve, D. H.	Industry, Trade and Commerce	CO-3
Fletcher, R. G.	Regional Economic Expansion	ES-4
Oliver, E. W.	Regional Economic Expansion	SX-1
Pettis, John	Indian Affairs and Northern Development	AS-7
Purdie, Betty	Labor	AT-1
Schooley, A. S.	Health and Welfare	AS-4
Sedgewick, M.	Environment	ES-1
Cooke, E. V.	Transport	PE-1
Fraser Lee, C.	Transport	IS-3
Fullargton, J.	Taxation	AU-7
Gorrell, L.	Archives	AS-7
Hill, L. L.	Manpower and Immigration	PE-4
Mayhood, J.	Manpower and Immigration	SX-1
Mullance, C. T. P.	Justice	LA-2
Nauma, A.	Manpower and Immigration	FS-2

2. (a) and (b) $2,070.00; (c) nil; (d) *; (e) transportation 92.50. Total: $2,162.50**

* Cost of teachers not calculated as part of the cost of the trip.

** The difference of $24.05 between this and the amount given December 11, 1975, is due to a reduction in the cost with receipt of final bills.

FRENCH COURSES GIVEN AT CHATEAU MONTEBELLO, NOVEMBER 12 TO 14, 1975

Question No. 5,352—**Mr. Cossitt:**

1. With reference to the answer to Question No. 3,776 which stated in part that seven persons spent from November 12 to 14, 1975 at Chateau Montebello studying French at a cost to the taxpayer of $1,013.88, what are the names, job designations and addresses of such persons?

2. What is the specific breakdown of the cost figure of $1,013.88 and how much of this was for (a) room accommodation (b) meals (c) drink (d) tuition (e) anything else?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): I am informed by the Public Service

Commission as follows: It should be noted that the Public Service Commission's records show the students' departments, not their addresses. 1.

Name	Department	Classification
Baxter, Wayne	Labor	ES-1
Cooper, Gérard W.	Industry, Trade and Commerce	CO-3
DeCosta, Manuel	Secretary of State	PM-4
Gray, John F.	Transport	PE-4
Mazopolis, Janis	National Parole Board	PW-3
Going, Anne	Secretary of State	AS-1
Markus, Sandra	Agriculture	AS-3

2. (a) and (b) $799.26; (c) nil; (d) included in (a) and (b); (e) transportation $209.98*; telephone $4.77. Total: $1,014.00

* Includes a field trip in surrounding country side.

FAMILY ALLOWANCE CHEQUES—ATLANTIC CANADA

Question No. 5,358—**Mr. Forrestall:**

1. In December 1975, by province, how many family allowance cheques were mailed to families in Atlantic Canada?

2. By province, what was the total value of such cheques?

3. By province, what is the government's best estimate of the amount of money which would have been paid through indexing the family allowance thus far in 1976 to families in Atlantic Canada, but which has not been paid by virtue of the suspension of the indexing of such payments?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1.

	Number of Family Allowance cheques mailed	
Province	December, 1975	January, 1976
Newfoundland	90,169	90,536
P.E.I.	17,356	17,258
Nova Scotia	124,410	124,571
New Brunswick	105,080	104,709
Totals	337,015	337,074

	Total value of Family Allowance cheques mailed	
2. Province	December, 1975*	January, 1976
Newfoundland	$10,006,411	$5,050,911
P.E.I.	1,791,994	946,576
Nova Scotia	12,247,996	6,147,337
New Brunswick	10,554,251	5,295,756
Totals	34,600,652	17,440,580

* Due to the postal strike, Family Allowances payments for the months of November and December, 1975 for Atlantic Canada were combined in a single cheque and mailed by special arrangement on December 3, 1975. This was done in order to ensure that those eligible received their proper entitlement for November and December despite problems of delivery associated with the postal strike. As a result the December, 1975 statistics listed above include the Family Allowances payments for both November and December, 1975. The normal value of Family Allowances cheques sent to families in Atlantic Canada is reflected in the figures for January, 1976.

	Estimated amount of Family Allowance not paid due to suspension of indexing
3. Province	January 1, 1976 to March 31, 1976
Newfoundland	$1,674,472
P.E.I.	305,003
Nova Scotia	2,043,542
New Brunswick	1,760,495
Total	5,783,512

It should be noted that persons in need have recourse to provincial social assistance programs, which are cost-shared by the federal government.

FUNDY NATIONAL PARK—ACQUISITION OF SERVICE STATION

Question No. 5,416—**Mr. Fairweather:**

Did Parks Canada acquire a service station owned by Imperial Oil Limited in Fundy National Park and, if so, how much was paid to Imperial Oil Limited?

Miss Coline Campbell (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Parks Canada acquired a service station from Imperial Oil Limited held under lease for the sum of $55,000 for the estate in leasehold together with improvements.

[*Translation*]

Mr. Speaker: Shall the remaining questions stand?

Some hon. Members: Agreed.

[*English*]

Mr. Korchinski: Mr. Speaker, I rise on a point or order. On February 6, I placed on the order paper question No. 4040, and it is now almost four months since I raised that question. I think that is ample time for any kind of slowpoke to give an answer.

* * *

MOTIONS FOR PAPERS

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

Mr. Orlikow: Mr. Speaker, on March 10 my motion No. 94, which was agreed to, read as follows:

That an order of the House do issue for a copy of the most recent magazine, newspaper or newsletter published by each department, agency or Crown corporation.

I do not like to complain, but it has been 2½ months and I still have not received copies of the material which it was agreed would be tabled. I would appreciate it if the parliamentary secretary would do something about that. I also wish the parliamentary secretary would do something about my motion No. 86 which the hon. member for Winnipeg North Centre asked to be called last week.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed, from Tuesday, May 25, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, at the conclusion of the business at six o'clock yesterday I had embarked upon a discussion about the causes of crime and also about the arguments those of us on the abolition side of this issue have made. The entire debate, in a sense, deflects the public mind away from dealing realistically with the subject of murder and with other crime.

With regard to the argument dealing with the causes of crime, the great tragedy in this country continues to be that we do not take a realistic view of how to reduce anti-social behaviour. By concentrating on whether we hang or do not hang, I do not think we make much of a contribution in either direction in terms of the reduction of the murder rate. If we go back to capital punishment, I have no doubt that there will be a public storm to remove hanging again because then the media will concentrate not on the victims of crime but on murderers. The media will give us three pages dealing with a murderer's last hours, what his last meal was, how the priest led him down to the scaffold and how the murderer's face went blue in the agony of the whole thing.

I believe the public mood will turn, and I have no illusions about the public mood. I am satisfied that a majority in this country favour the return of the death penalty, and that in my own constituency there is a majority which favours the death penalty. I must apologize to those constituents who disagree with the position I take, but I believe they understand that position. I believe they understood it in the last election in 1974 when I was re-elected. I made my position clear in 1972 and in 1974, and I am making it clear again today.

I do not expect a man who runs for parliament to change the views he holds at the time he runs depending on the winds which may be blowing back and forth across his riding. I have taken a very strong position in this House in terms of removal of abortion from the Criminal Code, but I would say that if a person running for parliament believed in the principle of the right to life on that issue and made his position clear in his riding, I, as his constituent, would not expect him to come to this place and change his vote on that fundamental matter of conscience. That is the principle we have to abide by, and that is the tradition of this place.

It is absolutely vital that we continue to support that principle, because if we abandon it we abandon parliament and the traditions of parliament. If we really want to reflect the opinion of every constituent, we can plug them all into a television set. Every bill in the House could be voted upon by every eligible voter. That is quite feasible. Computers can do it but, quite frankly, parliamentary democracy would become irrelevant in that case—and I do not want to see parliamentary democracy become irrelevant.

As I have said, I think this argument deflects a meaningful discussion of the question of whether we have death or not in terms of the sanctions under our Criminal Code. What we have created in this society is tremendous disparities of income. Every study shows that in the urban areas, regardless of the general wealth, the greater the disparities, the higher the crime rate and the higher the murder rate. One could go to New York, Detroit, Vancouver or Montreal; this is consistent throughout the world. Expectations are raised and people are brain-damaged and manipulated by exposure to violence on the media. When you put these factors together, you clearly increase that risk.

● (1540)

I should like to turn, again, to the responsibility of the media, although I spoke about it at some length yesterday, Mr. Speaker. The time has passed when we should allow the media to peddle violence for the purpose of selling any product. I think that is wrong. We must give some attention to the effect that violence in the media is having. I should like to refer to an article which appeared in Monday's *Globe and Mail* which carried a report from Miami Beach. The article said:

> A psychiatric research team reports that violence on television may produce similar behaviour on the part of the viewer.
>
> The study, by three researchers at the University of California at Los Angeles, was presented here yesterday to the annual meeting of the American Psychiatric Association.
>
> Dr. Roderic Gorney, associate professor of psychiatry and director of the study said that men assigned to watch only violent programs showed more hurtful behaviour in their homes than men who watched only programs regarded as helpful or pro-social.

The media have some responsibility, but they are not cleaning their own backyard. Mr. Speaker, I have known the hon. member for Vancouver-Kingsway (Mrs. Holt) for a long time. She has taken a keen interest in all matters of crime, not merely the death penalty, and has dealt quite articulately with the case for retention. I should like to deal specifically with some of her arguments now. The hon. member indicated that the probability of mistake is minuscule, that the only known mistake is the Evans-Christie case in England. She is willing to admit that in that case an innocent man was hanged. I am sorry she is not here, because I should like to refresh her memory about a number of cases that she was involved in as a journalist.

When I was in law school, a man called Ducharme was accused of killing a woman. The prosecuting lawyer was Tom Norris, who later became Mr. Justice Norris, a judge of the Supreme Court and a judge of the Court of Appeal, and subsequently head of the Norris commission which was instrumental in cleaning up the Great Lakes in terms of related labour gangsterism. Mr. Norris has been an abolitionist for a long time and is an articulate spokesman for that side of the case. I am convinced that one of the reasons for his view is his involvement as prosecutor in the Ducharme case. There was no confession in that case, and while there was suspicion, there was never any hard or

conclusive evidence that Ducharme had in fact killed the 44-year old spinster. Although the circumstances were extremely suspicious and overwhelming enough for the jury to convict, I think everyone involved in that case had some real doubts.

Then we have the Coffin case, the Truscott case and the Raymond Cook case. We can read and read and read, Mr. Speaker—but how do we give a man back his life? How do we correct the awesome error the state makes when it takes the life of an innocent man? Yesterday the hon. member for Central Nova (Mr. MacKay) pointed out that the capacity for error is small—and I agree. There are a number of safety factors within the Criminal Code to guard against mistakes. But no justice system is perfect, and that is one of the reasons why so many people involved in it are abolitionists, why so many who are prosecutors, defenders of judges come down on the side of abolition. The circumstances and facts of every case vary. They know that there are many cases where they can be certain—but are they morally certain? I think before we take anyone's life we should be morally certain.

Some people say we should exclude the circumstantial case. To paraphrase the Hodges' rule, it says that circumstances have to be consistent with guilt and inconsistent with innocence. They forget that the question of identification of the murderer becomes a key part of any murder trial where there is a dispute about identification. If we exclude that, then we exclude almost every case in terms of the death penalty.

The hon. member for Vancouver-Kingsway dealt with the case of James Carey in which she was heavily involved. His is probably the living embodiment of a case for abolition. He continues to live in Fredericton, New Brunswick, and I believe was head of the Rotary Club. He has been an exemplary citizen since his release from penitentiary. He was charged with the murder of a police officer in Vancouver, and the hon. member for Vancouver-Kingsway was instrumental in having his death sentence commuted. I think all of society is in her debt for the work she did to see that James Carey did not die.

The hon. member has justified the change in her position on capital punishment on the fact that Carey did not pull the trigger. But I want to ask her about the case of Miller and Cockrell who are presently awaiting the death penalty for the murder of a policeman in Cloverdale. One pulled the trigger, and the other did not. Is that a case where one sentence should be commuted but not the other? I do not believe we should commute the long prison sentences involved in that case; there should clearly be long sentences for that kind of despicable murder. But the death sentence in that case will not provide safety for the police officers of Canada. The death sentence would not have saved the life of the constable who was killed.

Some confusion in this debate arises from the belief that those who argue for retention argue for safety. I say they argue a case that will not stand in terms of deterrence, and will not stand in terms of providing additional public safety. In the history of man, the death penalty itself has never been applied in a non-discriminatory way. The prejudices of people, the politization of the penalty, mean that the underprivileged hang and the rich never hang. That will be just as true if we return to the imposition of the death penalty in Canada.

Mr. Speaker, I do not think my son, if he ever committed the crime of murder, which God forbid, would hang because of the political pressure that would be placed upon cabinet by the PTA and people who would have known his history, and so on. But if you take the case of a native child on a reserve who may kill, he would probably hang. That was the tradition in Canada, and certainly in the United States where 50 per cent of those hanged were black. They certainly did not commit 50 per cent of the murders in the United States. We have to ask ourselves some deep and searching questions about the way we apply the death penalty. The final decision belongs with the cabinet, Mr. Speaker, but we are all fallible and human. There is no way we can bring the death penalty back in Canada and apply it in a fair and consistent way. If we bring it back, we will be lowering the standards of justice in the country in a very significant way.

Yesterday the hon. member for Lisgar (Mr. Murta) referred to the problems faced by the people who have responsibility for guarding long-term prisoners who are also murderers. I have some sympathy for their position, Mr. Speaker. We know that a 25-year sentence is really a 15-year sentence in terms of this bill. I suspect that in almost every case, certainly the majority of cases, parole will be granted shortly after 15 years have been served, when the judicial report is made. If we argue that abolition of the death penalty creates a high risk for guards—and I admit there is some risk—we must concede there is also a high risk for police officers trying to apprehend someone when the death penalty is imposed for murder. In those circumstances, the felon has nothing to lose. That is why the death penalty was abolished in Austria, and indeed the police were instrumental in having it abolished. They felt it compromised their safety when apprehending dangerous criminals. I hope we will give serious attention to this view. I think it is important that we have hope and confidence in our fellowman.

● (1550)

When we do something which leads people to abandon hope and confidence, we take a backward step; we go opposite to the direction of social progress, opposite to the direction which leads to social improvement. When Wilberforce argued in the British House of Commons that slavery should be abolished, people thought he was crazy. After all, slavery had been with us since the dawn of history. His concept was revolutionary; but Wilberforce fought for his ideals and won, and his victory was a small step forward for man. When we abolish the death penalty, we shall take another faltering step forward, a faltering step which will lead to the long-term improvement of mankind. As a society, we must seek to become more humane, compassionate and civilized. Surely that is the end we seek.

I urge members of parliament to gird up their courage, to listen to their conscience and to abolish the death penalty. I say, you will not increase the murder rate in Canada; you will enhance the safety of all Canadians.

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, the bill now before us expresses the will of this government to

abolish completely the death penalty as a possible punishment for the murder of a policeman or a prison guard.

The question is still very controversial and even if the bill were to be passed that would not necessarily mean the end of the debate; far from it, because the reasons for the discussions remain very active today despite the fact that, for several years now, the government has tried to decrease the application of the act as much as possible by gradually restricting its application and even simply refusing to apply it. Mr. Speaker, in fact one can say that the act was amended three times since 1961 at which time every murder was considered to be capital murder for which the penalty was always the death penalty.

In September of 1961, the act set up two categories: first, capital murder with the possible penalty of capital punishment. Here we were dealing with premeditated murder, that of a policeman, a prison guard or a judicial authority, and finally murders committed in the course of another criminal act. The second category included all other murders the penalty for which could be as severe as life imprisonment. Later, in September 1967, the act was amended again for a period of five years, reducing the notion of premedidated murder solely to those who were found guilty of the murder of representatives of the law.

In 1972, five years later, the House of Commons decided by a free vote that only the murder of a peace officer would be considered as capital murder. We know, Mr. Speaker, what happened afterwards, and we know very well that, for all practical purposes, it meant the abolition of capital punishment, since all death penalties have been commuted to life sentences for several years. This matter has been discussed for several years, yet it is still with us today.

I had the opportunity to take part in many debates on capital punishment both outside and in the House, where I first came in 1968. I heard practically every possible argument and figure from either side, and I personally quoted many of them to support my views and add weight to my arguments. In 1972, I even went as far as to conduct a survey of 18 heads of families in my riding, the results of which I submitted to the House to emphasize that the great majority of our fellow citizens were in favour of reinstating capital punishment, and it is still practically the same situation that prevails in the riding of Richmond which I have the honour to represent today in the House.

For instance, in February 1976, 1777 heads of families in my riding answered a question which I put to all of them. Question (A) was as follows: Do you agree that cabinet should commute death penalties to life sentences after the court has condemned the criminal to death? Out of a total of 1676 people who answered this question, 330 said "Yes", and 1,346 "No". Therefore, 19.7 per cent are in favour and 80.3 per cent are against. Question (B) was as follows: In the case of premeditated and capital murder, do you approve of the death penalty? Out of a total of 1,688 answers to this question, there were 1,469 "Yes" and 219 "No". Which means that 87 per cent are in favour, while 13 per cent are opposed to it. To question (C): Should parole be granted to a criminal convicted of premeditated murder, 1,676 people answered, 97 said "Yes", and 1,579 "No". This means that 5.8 per cent are in favour and 94.2 per cent are against.

[Mr. Beaudoin.]

Since the matter has again been brought in the House today, I intend this time to deal with it in a completely different way. This is why I will not refer to statistics and various views to discuss more particularly the basic principles involved as far as the death penalty is concerned. I want my intervention to be objective and clear of all emotivity or passion often raised during such discussions. First I will state the main points generally made for both sides of the matter. I then intend to put the death penalty in its present context where society is confronted with criminality, while recalling also how the penalty was applied throughout history. Afterwards, I would also like to interpret the policy of government authorities on the question and finally indicate my own position.

Should we be for or against the death penalty? This is the question. As to arguments made for the abolition or retention of capital punishment they are numerous and I will mention only the main ones. Those who wish at any cost to abolish entirely the death penalty sometimes say that it is merely a barbarian remnant which has no room in a so-called modern and civilized society. Some will advocate the humanitarian rehabilitation of murderers alleging the dignity of human life. Others will say that it is mere revenge, a backward application of the law of retaliation. Finally, a few, such as the Solicitor General (Mr. Allmand) for example, will argue that it is a useless step since, according to them, figures do not prove that it reduces the number of murders. Those are the major reasons advanced by those in favour of abolishing this penalty.

● (1600)

On the other hand, the retentionists suggest mainly that this is an effective means to reduce the number of murders by arousing the fear of punishment in the criminals. Others suggest that the carrying out of this sentence would be a deterrent for potential criminals. Finally, others say that the implementation of capital punishment would automatically deal with those who relapse into crime and commit more than one murder.

All those arguments from both sides may be discussed one by one and supported by figures and striking examples. I will return indirectly to this later on, but for the moment I would like to place this issue in its true context of everyday life and to relate it to our own society. I sincerely believe that only this way will we be able to deal with the issue realistically, because otherwise the discussion remains philosophical and I consider, if I may use that phrase, that it is only hot air which leads nowhere.

As a matter of fact, if we do not want to miss the point completely, we must agree at the outset that the problem of capital punishment is closely linked to several other social problems. Therefore, we cannot deal with it and analyze it without relating it to the other problems our society is afflicted with, because they are the other pieces of the puzzle of crime, of which murder is the last and most serious one. We must therefore criticize society as a whole if we are to understand the role capital punishment may or may not play. One must be completely blind not to admit that our modern society is faced with huge difficulties with regard to crime. And what becomes particularly alarming is that this phenomenon becomes general and affects all social strata.

To give a good description of the problem, let us say that there are two kinds of crimes: flagrant crimes and discrete crimes. Among flagrant crimes there may be various types of thefts (housebreaking, simple theft, car theft, robbery) as well as assault and battery, rape and, finally, murder. On the other hand, among the so-called discrete crimes, there are a great number of actions that are sometimes very surprising on the part of quite ordinary people which nobody would consider as reprehensible actions. Nevertheless, we may put in this category all kinds of tax evasions, secret stock exchange transactions, bribes, time stolen by an employee idle at work, and lies.

To convince oneself of the gravity of the situation, one just has to consider the worth of a promise in today's world, where even a signed contract is not honoured any more. Even if it seems a very strange thing to say, crime is almost accepted socially as something which is not quite bad or wrong.

That is why it is not unusual to hear people boast about the way they have financially deceived a partner, an employer or someone else, as though it were an achievement. Unfortunately, this way of thinking has been spreading on a large scale during the last few years and has literally poisoned human relationships in the financial, social and domestic fields. It is thus that we have progressively destroyed honesty, a sense of honour and trust to make way for this new type of morality which is actually nothing more than the resurgence of the law of the jungle under which each individual tries to grab all he can get without offering anything in return. If carried to the extreme, this goes as far as the elimination of the other individual, and there we have the whole process of crime which is almost accepted today and ranges from mere lie to murder. And this social acceptance of crime is emphasized even more by advertising which, generally speaking, pictures various offences under a glamourous guise and even turns some criminals into international stars. I shall go even further and suggest that our laws treat criminals better than they treat the honest silent majority of people.

To be convinced, one only has to see how considerate we are about providing sports facilities, entertainment and weekend passes for the criminal, whereas the jobless father has to fight with the unemployment insurance office to get the cheque he is lawfully entitled to. We are thinking of giving a salary to prisoners, but because of the anti-inflation program we reject higher family allowances and so on. One may notice in all this that the victims are forgotten and that he who is against this new morale is not even considered as up-to-date or normal. This brings me to say that the present debate is biased, because generally our laws as well as society itself already favour the criminal. I would go as far as saying that the present discussions are basically false; as evidence, one only has to recall how senior employees of the department succeeded in bringing the minister to sell the idea of abolishing capital punishment by reducing it gradually these last years.

The other question which arises, Mr. Speaker, is this: Is justice capable of being just? Before going any further on capital punishment as such, I wish to ask a question which, in my view, is fundamental and which has not been mentioned by anyone or very few people. Can justice as we know it today be trusted and is it capable of applying effectively and fairly laws such as the one on capital punishment? This question is extremely important since it must be expected that those who are responsible for administering justice practice what they preach, so that the whole of society is trustful and their work is fruitful.

Once again, Mr. Speaker, the answer is not completely reassuring. Unfortunately, one must see reality as it is, and integrity seems to be gradually stepping aside to be replaced by bribery, political dealings, patronage and all those types of new ethics which creep into large corporations, governments and even justice. One only has to see how certain judges are appointed, sometimes more for their political services than their integrity.

The death penalty is not something new and history tells us that it has been applied through times in every possible way and for all imaginable purposes. In the beginning of mankind, millions of men, women and even children were executed; in ancient times, for instance, criminals were done away through stoning, hanging and crucifying. In ancient Rome, they were thrown to the lions and throughout the medieval period, in the name of religion we burned, quartered and beheaded those who were called heretics.

Then the guillotine appeared in France. After came the electric chair in the United States as well as the gas chamber. Those were the ways to apply capital punishment but there were also other means; during the Second World War, Hitler's Germany condemned to death millions of human beings—Polish, Ukrainians, Jews and others—who were hanged, shot or passed through the gas chamber. The death penalty in those days was called Dachau, Auschwitz and so on.

Closer to us, Vietnam has been the scene of numerous executions under the cover of the raging war. Quite recently again, according to the media, capital punishment was imposed in Angola on several people unwilling to help the UNITA, and I can well imagine that it was the same with ALNF and ALPM. To be convinced, one only has to recall the recent piece of news indicating that in northern Angola every woman was raped at least three times by Cuban soldiers. We can then understand why the death penalty may be imposed for whatever reason in some countries.

Yet that is only a very brief historical account on capital punishment, but I think it is sufficient to realize all the abuses to which this penalty gave rise from the beginnings of humanity until today. If I take the trouble of raising all these facts on the death penalty, it is to place the issue in its context. Closer to us, Mr. Speaker, let us see what are the attitudes of governments and ministers responsible for that issue. Last year, the chiefs of police in the province of Quebec, meeting in a convention, adopted one resolution as did the Canadian association of mayors, urging the government to impose capital punishment in view of the incredible increase in violence and in the number of murders.

● (1610)

In reply to a question, the Solicitor General (Mr. Allmand) later stated:

> I categorically refuse to be associated in any way with a hanging.

That is his privilege. On the other hand, the then minister of justice of the province of Quebec, Mr. Jérôme Choquette, stated he disagreed with that resolution and the

death penalty was not consistent with the concept of human progress. That is serious. If someone in the street had made such a suggestion, there would not have been great harm. But when one or two ministers responsible for supporting and enforcing the law will not enforce it or respect it themselves, it is getting serious. Is that the so-called progress concept? Is that the kind of attitude public authorities should have to instill respect for the law? In such circumstances, how can they require citizens to abide by the income tax act, for instance, or any other act for that matter? Maybe that is one of the links in the heavy chain of crime that is crushing society at all levels.

Mr. Speaker, some people refer to the Bible to defend their theory on capital punishment or in support of this legislation. As far as the Solicitor General is concerned, I wish he had been as energetic to enforce the law as it now stands as he has been in selling his or his officials' idea of complete abolition. He spoke on the subject on a number of occasions and I shall refer to the speech he made in March 1975 entitled: Prevention and control of violent crime in Canada. At some point, he referred once again to the Bible forbidding to kill. That point is made now and then, and it deserves closer examination.

The Solicitor General stated, and I quote:

The paramount issue is one of morality. Are we justified in taking a human life through capital punishment? Execution does not erase the crime of murder. It takes away another life. The commandment, "Thou shalt not kill" is part of our Judaeo-Christian heritage. It emphasizes the value of human life.

True, the Lord gave that law. It is also a fact that this same law stresses the paramount importance of human life. But it is not quite fair to use that one verse out of context and without any reference to the other directions God gave us, in an attempt to prove He is against capital punishment. That would go against what the Bible says further on. First of all, God created man free, so that he may accept or reject the commandments He gave him to be happy. Now, man misused that freedom by rejecting the divine commandments, preferring to decide by himself what is good or wrong, and we know with what result which was not long coming, since the first generation had its first murderer, Cain.

So, in the beginning, seeing that man misused his freedom and rejected even His commandments, the Creator determined penalties according to offences, and that is why God said, as reported in the Bible, and I quote:

Whoever sheddeth man's blood, by man shall his blood be shed.

That is quite different from what the Solicitor General said.

Mr. Speaker, in the same address, the Solicitor General proposed a whole series of preventive measures, and I quote:

What, then, do I suggest in place of this? Some of the measures that I propose to prevent and reduce crime are the following: better trained, better deployed and better equipped policemen; effective gun control, proactive rather than reactive police work, more effective correctional programs for juveniles and adults . . . and so on . . .

Mr. Speaker, I want to stress that those are truly fantastic proposals and the minister must be commended for them.

The only thing I regret is that those are very nice words to put on a postcard, for instance, but apart from that, they

are nearly useless since they do not correspond at all to reality. They are more like smoke than anything else. I have the impression that the minister is still thinking like a Pee-Wee and that he has been drafted by the major leagues without realizing it.

Professional criminals and organized crime are omnipotent and some people even say that they have friends quite near the government . . . Gangland murders are becoming more and more frequent, and so are senseless murders. The streets of our major cities are no longer safe. Violence increases everywhere. Our "modern and sophisticated" civilization has become that of highjacking, political assassination, hostage taking and kidnapping. Even our youths take part in this spiral of violence and seem to prepare a society which will be far from restful.

For instance, the *United States News and World Report* issue of January 26 last published an especially impressive article entitled "Terror in Schools". It says that violence and vandalism have taken epidemic proportions to which no one seems able to remedy. Between 1970 and 1973, murders in schools increased by 18 per cent, theft by 37 per cent, assaults on students by 85 per cent and assaults on teachers by 77 per cent. Indeed, in view of the urgent need to put a stop to violence, the Attorney General of the United States, Mr. Edward Levi, who had been against this penalty before, is now in favour of capital punishment in certain cases.

During this time, the Solicitor General intends to aim his action nearly exclusively at prevention, as if this were sufficient. This is very naive reasoning! I believe there must be prevention, but it is not enough; as in the education of children, it is necessary to have just but strict penalties according to the seriousness of the offence. Whether we accept this or not, it is a deterrent which, to some extent, will stop certain criminals. Mr. Speaker, these last few years, we have forgotten the victims.

Our justice has become so slow and lax that we forget about the victims and we even go as far as considering it horrible to punish criminals for the simple reason that too much time has elapsed between the crime and judgement or the carrying out of the judgement so that it is hard to see why they are punished. In this sense, the death penalty has long become ridiculous because of a simple political game.

As I have already said, to be efficient, a judgement must be carried out. Even if it is in the Criminal Code, that is not enough. It must be carried out immediately after the judgement and it should not be delayed by never ending time lapses, until the crime if forgotten or until it seems almost innocuous. Otherwise, the criminals are finally considered as victims, as this bill wishes and we forget about the true victims. Besides, I would like, Mr. Speaker, to read to the House a letter written on February 8 this year, which I have just received, and which tells a lot about this subject:

Dear Mr. Beaudoin:

I send this letter to you and to anyone who might be interested in this subject. The results of the present discussions about the death penalty affect the whole country. A bill to abolish the death penalty will be introduced in the House on February 9, 1976. This is a rather curious coincidence but for me this particular date is the saddest of all. You see, sir, February 9 is the date of my daughter's birthday. She would have been 17 this year but she will never be. My daughter Sharron was

savagely killed on March 29, 1975. She had gone to see some friends four blocks from where we live but never got there. Three days later, her body was discovered in a field a few miles away. She had been kept prisoner for three days, raped, hit so hard that she had a double jaw fracture, a skull fracture, a broken nose and ripped organs.

The cause of death: asphyxia by blood in her lungs and her abductor also strangled her. She had been bound and gagged. In looking at statistics about murder in recent years, I must say there has been a very steep increase in the number of murders. As an example, in the province of Quebec alone, there were 17 murders in 1955, 53 in 1965, 217 in 1975. Something has to be done.

Not only is the number of murders increasing dangerously, but also the nature of the crime is becoming ever more sadistic. With the laws as they now stand. I have to believe in capital punishment, not neccessarily by hanging or by the electric chair, but by sleep, the same way we put a dangerous dog to sleep. As to the argument about the risk of putting innocents to death it would be the exceptions who would remain in prison until they are recognized innocent. In my view, the law is a joke. At present, capital punishment for the murder of a policeman or prison guard exists, but only in the texts of law and not in reality. If you cannot trust the law, whom can you trust? I believe in God and I consider myself a Christian and I believe in the word of God when he speaks to Moses in the Bible in Numbers, chapter 35, verses 16 to 21. Those assassins eat, sleep, play cards, tell jokes, have a lot of fun and now they want to form an association in prisons while their innocent victims who had their lives taken away lie in their coffins.

Those victims cannot speak for themselves.

They need your vote.

I trust in God to help you.

Mrs. Yvonne Prior
445 Congregation Street
Montréal.

In conclusion, Mr. Speaker, in the present state of things where reality indicates a frightening increase in murders and violence in general, continuing to spare hard-core murderers, as proposed in the bill before us, is automatically to condemn others, that is innocents, to pay the price with their lives. So under this legislation the government and particularly the Solicitor General indicate that they want first to protect criminals by reducing their sentences—pending the time when they will offer them trophies and trips to the South—rather than protect the citizens.

Not only must I be against this bill but I must say that in my opinion a responsible government should immediately reinstate capital punishment in Canada, and I should be actually enforced in cases of capital murder—I stress capital—premeditated or committed in the perpetration of another criminal act. However, I expressed certain reservations and that is why I pointed out certain abuses that had resulted from the death penalty in history. I also think that the death penalty alone will not solve the problem of murder because murder represents only the last link in the whole chain of crime which should also be reduced by other means.

However, I know it would check the increase of all types of murders. But I also know that the Solicitor General, as well as the government, wants his legislation to pass at all costs with what is, I hope, nothing but touching guilelessness. I for one took the time to consider all the basic principles of that issue. As for the rest, the Solicitor General, supported to some extent by the cabinet and his caucus, will have to assume the responsibility of the view he defends so desperately. Mr. Speaker, in conclusion, I wish to quote a few sentences spoken on April 21, 1968, at Notre-Dame de Paris by Reverend Marcel Cornelis, on the 53rd anniversary of the mass murders of Armenians. This reverend father said, and I agree whole heartedly:

Each time we remain unconcerned or shed hypocritical tears in the presence of crime, an even more serious crime is about to be committed, a crime for which we shall no doubt assume our share of responsibility.

He who through his passivity and unconcern is an accessory to a crime committed today is already an accessory to the more serious crime which will be committed tomorrow, and let him beware because he who is now only an indifferent spectator could become tomorrow a bleeding victim.

● (1620)

[*English*]

Mr. Ross Milne (Peel-Dufferin-Simcoe): Mr. Speaker, I want to start by congratulating the hon. member for New Westminster (Mr. Leggatt). I have attended the House and listened to a good deal of the debate on this very important and emotional issue, and I thought he was one of very few members who brought some new thoughts and new approaches to this over-all problem. Were he in the House, I would congratulate him.

Some hon. Members: Hear, hear!

Mr. Milne: Unlike some of the members of this chamber who have been here for some years, this is the first occasion I have had to address the House on the subject of capital punishment. Since the time I was elected to parliament I do not believe I have dealt with any issue that has been more sensitive or more difficult in coming to a conclusion. I think I can say in all truthfulness that I have approached this subject with an open mind. I did not have any great depth of knowledge of the law when I originally analysed this problem, and I sincerely felt I could be persuaded by arguments for either side. I wanted to maintain an objective perspective on capital punishment because I considered it my duty to evaluate all reasonable arguments on both sides of question. It is my respectful submission that members of this House who have prepared themselves as either ardent abolitionists or ardent retentionists have seriously limited their capabilities of giving their constituents' arguments a fair hearing.

Because I am not a lawyer I did not have a full grasp of the legal intricacies of the question. I should like to express my indebtedness to Senator Neiman, of the other place, whose excellent speech of May 29, 1975, illuminates the salient legal issues of the capital punishment question, and I recommend it to all hon. members to read.

I have, personally, made every attempt to research the capital punishment question thoroughly. I have spoken with lawyers, policemen, criminologists and social workers. Indeed, I have had the opportunity of discussing the issues with people who have spent a considerable number of years on death row. For the benefit of my constituents and for my own discipline in preparing for this vote coming up, I have written papers on the history of capital punishment, on the law on capital punishment and on the referendum on capital punishment. In addition to that, I have distributed to a good number of people a number of papers, particularly one on theology and capital punishment.

The greatest part of my study was devoted to discussing this subject with my constituents. Like most members, the correspondence I have received on the subject has been voluminous. The topic arose at the two latest series of town

hall meetings recently held in my riding, and I certainly gained a great amount of valuable information from my constituents on those occasions.

Like all Canadians, the people of Peel-Dufferin-Simcoe have a deep-rooted concern about the direction our criminal justice system is heading. They are concerned that society may not adequately be protected against violent crime. They want reassurances that our legal institutions are capable of dealing with anti-social elements properly and effectively. A sense of anxiety or uneasiness has naturally followed the wave of violent crime of recent years which has taken unprecedented sensational dimensions. Through radio and television, Canadians are intimate witnesses to such incredible international incidents as the recent murders of diplomats in Paris, and each day on the news we hear about the incessant, senseless violence that troubles Northern Ireland. Disturbing incidents of this nature cannot help but exert an unsettling influence on our own feeling of security here in Canada.

Here at home many Canadians perceive that violent crime is spiralling out of control. The truth is that we enjoy one of the safest societies in the world. To a large extent, this distorted perception of violent crime has been fostered by the media's sensational treatment of isolated incidents such as gangland murders in Montreal and hostage incidents in British Columbia prisons. We often hear the viewpoint that criminals in Canada are conducting their nefarious activities without any fear of restraint or apprehension. I do not believe this reflects reality. If it were true, Canada would by now have fallen into the same hopeless state of anarchy and confusion which engulfs more and more nations.

This is not to say that various aspects of our criminal law process are not in desperate need of reform. People are genuinely concerned about the shortcomings in our system of granting bail, and I am glad to see the provisions of Bill C-71 have now been proclaimed into law. This legislation should make strides in reducing the abuses which our bail laws have suffered in the past.

The vast majority of Canadians are disturbed about the proliferation of guns in our society and their increasing use in criminal acts. Part of Bill C-83 seeks to redress this problem, and as I have spoken on this matter on two earlier occasions in the House I will not deal with it further today. There is concern about the parole system in Canada, about the process of temporary release of inmates convicted of dangerous offences, and about the sentencing procedures for dealing with incorrigible offenders; but Bill C-83 attempts to respond to these problems also. The peace and security proposals before parliament are, again, the kind of action many Canadians are demanding. They are anxious to see effective measures placed into law which hold a promise of combating the trend toward violent crime.

I should like to put this in better perspective. What is the question with which we are dealing? I do not believe we are dealing in isolation with the question: Are members in favour of capital punishment or not? Or, on a theoretical basis, whether or not they are in favour of capital punishment. If that were the case, certainly I would think that the polls are correct in that 70 per cent to 75 per cent of Canadians favour the retention of capital punishment under these conditions.

Surely, the question parliament is considering at this point in time and, indeed, will be voting on in perhaps not too many days, is the following: Given better law and order through the provisions of the peace and security bill, such as gun control, sentencing of dangerous offenders, wiretapping, crime inquiries, parole, bail as passed recently, crime prevention and redefinition of murder, with first-degree murder carrying a life sentence of 25 years, certainly before parole can even be applied for, do we still need capital punishment on the law books of Canada to deal effectively with crime in our society?

● (1630)

With respect, Mr. Speaker, may I say that I think that is very different from the question: Are we, or are we not, in favour of capital punishment? This is the difficulty I have with public opinion polls. I do not think they accurately reflect on the question with which parliament is dealing, because most of the polls I have seen which have given this preponderance of opinion on the retentionist side have asked the simple question concerning whether or not we are simply in favour of capital punishment.

My experience with town hall meetings, which I should like to share with the House, has been that when the question of capital punishment has come up, it is true that when a poll is taken often 75 per cent of the people attending are in favour of capital punishment. But on a review of the law, the royal prerogative, the plea of clemency and the history of the law as it has been developed, and after discussing the provisions of Bill C-83 and then asking how many people are still in favour of capital punishment, the result is very evenly divided. In fact, we have had meetings at which perhaps only one-third of those present, with a better understanding of the law, would still want capital punishment retained.

I think, as many members have mentioned, that is reflected in the Gallup poll as published in the Ottawa *Citizen* of March 4, to the effect that what society wants is better law and order and that it may be satisfied with that instead of capital punishment. The question is asked: If we can achieve better law and order, would we, or would we not, be satisfied to see an end to the death penalty in Canada? I really think that is the question. The national poll indicated that 48 per cent would say yes, that 48 per cent would say no, and that the other 4 per cent are not sure. I would point out to hon. members that should this bill fail to pass and we return to capital punishment and carry out capital punishment with the three people on death row on July 15, I really suspect there would be a very different feeling across Canada and I would think that a poll taken at that time would indicate that a very small percentage of the people would in fact support capital punishment.

There is one other aspect of this on which I want to comment because I think it is rather important. I refer to the question of the numbers. In 1974 there were something like 545 murders in Canada. Only seven of these involved policemen or prison guards. If the law had been applied systematically, I wonder if we would have had seven cases of capital punishment. One thing that is disappointing to

me is why in this House we are not debating more seriously the question of the 538 other murders. Surely they should be of equal importance and should share a good deal of the time of the House. I think this is what the hon. member for New Westminster devoted most of his speech to.

I have been reading that some 70 per cent of the people who have been murdered have been known to the person committing the murder, and that probably 40 per cent of all these murders, which is well over 200, are domestic murders. It would seem to me that the time of the House would be well taken in a good discussion of some of the trends in our society which lead to the rapid increase in murder in domestic situations. I think of such things as our rapid trend toward urbanization, the poverty levels we have in certain areas, versus the expectation certain people have, the display of violence by the media on television, and so on, and such things as job frustration, overuse of alcohol, depression and drugs. I think members really should be talking about all these things, because in the case of prison guards and policemen we are dealing with something like half of 1 per cent of the crime and we are dealing with a very small percentage of the murders committed in Canada.

It seems to me that in coming to a conclusion on this very difficult question there are three major considerations. One is the revenge approach. There is the question of is, or is not, capital punishment a deterrent, and whether or not we really are interested in rehabilitation of people who commit crimes. I might just comment on revenge. It certainly is an opinion held by many people: they equate revenge with justice. A high percentage of the mail I have received merely supports capital punishment on this basis. I have great difficulty with that.

The law has developed over the years. Members will know, as well as I do, that we have hanged over 700 people during the history of Canada. The first person to be hanged, I understand, was a 15-year old girl, for the crime of stealing. Surely, the law and our society have developed a good deal since that point in time. who committed the offence is concerned. I really think that in this debate we would be wrong not to talk about some of the needs for rehabilitation and the reform of our penal institutions, because as an alternative to capital punishment, if we are to commit murderers to prison for terms of 25 years, we cannot neglect our present responsibility to modernize the prison system and provide work and rehabilitation situations in order to prevent the further development of a potentially violent and destructive malaise among our prison population.

Surely, it is socially unconscionable and irresponsible to imprison a murderer or any offender for practically indefinite periods of time without seriously evaluating the environment to which they will be subjected. It is of no benefit to society to throw away the key and by doing so increase the volatility and inhumanity of the prison setting. I think a policy of longer prison terms must be accompanied, not by a superficial satisfaction that greater justice has been done, but by an augmented concern for the treatment of the prisoner over these longer periods of time. Really, the key question is whether or not capital punishment is a deterrent to others who might commit murder.

My research—and I would like to think that I have done as much as any member of this House—cannot substantiate that it is a deterrent to other people who might commit crime, at least this type of crime. Certainly, if there is some question concerning whether or not it is a deterrent, it would seem to me that the responsibility really should be on those who support the retentionist stand to prove how strong a deterrent it is in fact.

I have reviewed, as I am sure have many others, the experience in other countries. I think Italy and France are two countries which might be compared. In Italy, which is an abolitionist country, the murder rate is 3.21 per 100,000, compared to France, which is a retentionist country, with a rate of 5.11 murders per 100,000. When we look at the statistical evidence in the United States there is very little difference in the murder rate between bordering states which have or which do not have capital punishment. I think, in reviewing this, we might refer to a few statements made by people who have looked into the matter in great detail. In 1958, the Massachusetts special committee investigating the abolition of the death penalty concluded:

> There appears to be, in fact, no greater deterrent effect in capital punishment than in a sentence of life. It does not contribute to the reduction of murder, it is simply an easy and harmful way of satisfying the need "to do something about it".

In Great Britain, the royal commission on capital punishment, which held hearings on the subject from 1949 to 1953, reported:

> The general conclusion which we have reached is that there is no clear evidence in any of the figures we have examined that the abolition of capital punishment has led to an increase in the homicide rate or that its reintroduction has led to a fall.

● (1640)

I fully concur with Schusessler in his report entitled "Murder and the Death Penalty" that statistical studies have uniformly concluded that the death penalty is consequential as a deterrent and that the relative frequency of murder in a given population is a function of the cultural conditions. So the basic point is: does capital punishment deter anyone from committing murder more than the prospect of life imprisonment? Professor Wilson says, as quoted in the minister's opening speech:

> It is a matter of dispute whether any penalty will have a deterrent effect on murders, but surely the prospect of a long prison term will have as much as most others.

I support that point of view quite strongly. There are a couple of other arguments that I would like to put forward. There seems to be a strong viewpoint that if we were to hang one, two or more people, that would effectively control crime in our society. I do not believe that and I do not subscribe to it. I oppose that point of view, because surely members who have been studying Bill C-83 carefully and the background to it would see in the statistics that the explosion of crime is really at the lower end of the crime scale. Crimes of violence as a percentage of both total and Criminal Code offences have not changed over the last 10 or 12 years. If anything, as a percentage there are less of them today than there were 10 years ago. What we are dealing with is a rapidly increasing rate of armed robberies, of arson, of sexual offences, of assault, and so on. There are more murders within the domestic setting. I do not think that if on July 15 we decide to hang two or three

people, that will effectively control crime and there will no longer be any more corner milk stores robbed.

I am impressed with a quote from the Church Council of Justice and Corrections which reads as follows. I assume all hon. members have received material from them, but I would like to quote the following sentence:

> The available evidence suggest that the sanction of capital punishment does not really promote public safety by deterring potential killers, but that it does engender a false security in the public mind, which in turns delays community and government efforts to seek creative, realistic and humane alternatives more likely to prevent violence and restrain the violent.

I would recommend this material to hon. members, particularly the point of view that is set down there. The other argument which I would like to put forward and which I think is relevant here is respect for the law. All members of the House have been receiving in their mail letters which show that the country is demanding a return to real, tough law and order to combat a perceived rise in violent crime. A great deal of concern focuses on the administration of laws which already exist, and there is a feeling that our courts and prosecutors are being too lenient with dangerous offenders.

It is important in this debate that the citizens of Canada be reminded of the dichotemy of the justice system provided under our constitution. Simply put, the federal government enacts the laws and the provinces are charged with their administration from the arrest stage through the prosecution and sentencing stages in our courts. It is my opinion that the large degree of public concern should be directed at the provincial attorneys general who have the responsibility of directing the administration of criminal justice in Canada. Many of our present laws provide our courts with sufficient latitude to dispose of cases involving public safety in a way that conforms with public opinion. But our courts have been reluctant to administer the present laws to their full extent. I submit that if we were to make the law so tough or to revert to laws which existed back in the eighteenth century, as many people are demanding, many people would not respect the law and I do not think the courts would administer such a law, nor do I think the police would police the law if we were to do that. I think we want to be a little careful in how tough we make the law in response to many people who are demanding a return to the law which existed at the turn of the century.

In the remaining few minutes I have, I want to touch briefly on two other points. I want to speak as have many other members, about the concern I have about an individual who might be convicted of committing first-degree murder receiving a fair trial. I would not have thought this issue to be so important a year and half or two years ago, but I do today. Surely, all hon. members are conscious of the attitude being displayed toward minority groups here in this country recently and even, in fact, toward some language groups. That is why I raise this question of whether a fair trial can be held, because when we talk about the state taking the life of a human being we must have absolute confidence that the state can guarantee consistently fair trials with the minimum possibility of error, and I am not sure that is possible.

Let us consider, as an example, a wealthy person who is very articulate, well dressed, can afford the very best lawyer and witnesses brought from anywhere around the globe. The perception of that person by a jury, as compared to their perception of someone who may have considerable difficulty with the language, may not be articulate or well dressed and cannot afford the best legal support or witnesses, would be very different. I have heard lawyers discussing this in relation to the law courts. A businessman driving a very expensive car, who has had a few drinks at lunch, gets picked up by the police. Is he not treated quite differently from a youth with long hair, in a rusty old car who is charged with the same offence? There is a question as to whether in fact these two people are judged exactly the same in court. The U.S. Supreme Court has ruled capital punishment to be unconstitutional on these grounds.

We have to take into account that this is not an easy time to deal with the subject of capital punishment, given the present backlash with regard to minority groups, to those living in poverty, and, as I said, even to some linguistic groups. There is an old saying which applies here, that it is difficult to get a rich man into heaven and it is probably impossible to get his head into a noose. On the basis of religion, again, many people hold deep convictions on both sides of the issue, using religion as the basis of their viewpoint. Perhaps half the mail I have received is written from a religious point of view, and the same applies to people who have spoken to me on this subject. In fact I have in my files—and if time permitted I would even read them into the record—two excellent letters I have received from ministers in my riding, each minister representing a different church located across the road from each other. Both letters are excellent, well referenced and written with feeling and conviction. Each of them takes exactly the opposite point of view.

I respect these opinions completely using, as they do, religion as their basis. I only want to say that some people take a pretty narrow view by using a few words from biblical writings to support their argument. I suggest that people should look at how the law changed from the early biblical times to later times and how the attitude toward the law changed over that period. I came across an excellent paper, in my view, entitled "Theology and Capital Punishment". It was written by a very learned scholar, and I recommend that hon. members read it. I found it most useful in responding to people with this viewpoint.

● (1650)

In summary, I do not challenge the right of the state to take a life. In fact, I found little fault and was relatively comfortable with the present law and how it was handled; in other words, that capital punishment is on the books but very rarely, if ever, carried out. In fact, in Canada it has not been carried out since 1962, but the law has been there in case some very extreme case should happen to warrant capital punishment. Like the hon. member for York Centre (Mr. Kaplan), I would not be opposed to capital punishment for anyone who committed a second murder, either in or out of prison. My only apprehension in this whole question is about the security of prison guards, and so on. As a matter of fact, I thought about proposing this amendment myself at one time, and if the bill goes to committee—which I hope it will—and comes back with this amendment, I would most certainly support it.

However, I just cannot support capital punishment on a routine basis for every case either under the law as it is now written or for all first-degree murders, as recommended by many people and some hon. members of this House. That is why I will certainly support Bill C-84. The debate really boils down to the question of removing capital punishment from our Criminal Code or of practicing it on a systematic basis. These questions must be evaluated within the context of the facts which, in my opinion, show that capital punishment is not a significant deterrent to murder and that the mandatory use of capital punishment might well result in less possibility of punishing murderers, in view of the hesitation of juries to convict for capital murder. A couple of hon. members commented on that point this afternoon.

I believe very strongly that the death penalty creates the false expectation that we will reduce the amount of violence in our society. I suggest that the reverse is true, and that using murder or violence by the state to control violence would be neither an effective nor a desirable way of producing peace and security in Canada.

Having researched the subject carefully, given it much thought and shared many evenings with my constituents discussing this, and corresponding with them, I will certainly vote to support Bill C-84, Bill C-83 and any reasonable amendments which might appear when they come back from committee.

Mr. Howard Johnston (Okanagan-Kootenay): Mr. Speaker, I enter this debate with a sense of having been here before, because I was in parliament in 1966 when the resolution on abolishing capital punishment was debated in this House. At that time there was a free vote, the freest vote this House has ever had and far freer than the one which is shaping up now. We debated the concept and not the legislation, and the concept of abolition was lost in that vote. The vote was followed by subsequent legislation, which is the legislation on the books now. The legislation which was brought in at that time was bad law, but it did something which was even more reprehensible; it ignored the free vote of parliament. I recall the debate which took place a little later on the legislation, when virtually all the debate which had taken place on the resolution was repeated. As it got down to the wire, I remember that it was a little doubtful whether that bill would pass.

At that time I was approached by a member of the NDP behind the curtain and asked how I was going to vote on the bill to limit capital punishment to the slayers of police officers and prison guards. I said I was going to vote against it. He expressed amazement and asked how I could vote against it. He pointed out that I had voted for abolition, and I replied that it was not an abolition bill. He said, "Yes, but you know they will commute them all". I knew, he knew, and I suspect that the government knew that it would commute them all and that what had been achieved was a kind of abolition but not, in a sense, by a vote in parliament.

I know that there were hon. members on both sides of the House who voted for that bill saying to themselves that at least in this instance the death penalty would be carried out, and I know that a great majority of the public accepted the bill which was presented in that light. It is from that shift and from the fact that the commutations have been virtually automatic that a truly appalling situation has developed in this country in which there is now little faith in the law-making of this institution. We hear demands for national referendums because of the sense of frustration which has built up. We know that the government has come to an appalling point. I knew this would develop. It was only a matter of time after passing the legislation that the government would be faced with the terrible choice between mass commutation for all those people on death row, which is not politically acceptable, or mass execution, which is something very foreign to this country.

Then the government has compounded that problem one step further by offering abolition as a trade-off for gun control, or gun control as a trade-off for abolition, in a sense offering the public gun control in exchange for abolition. The people who own guns know that that is not a gift, but that it will be charged against them. It is not much wonder that the public is frustrated and that we in parliament find ourselves in this difficult situation.

As a person who voted for abolition then, and who is convinced now that the only sensible course for this parliament is to abolish capital punishment by a vote of parliament, I know that I probably go against a majority of my constituents, although that has not been accurately assessed, and I defy a great many of the simple polls which have been taken as representing accurate assessments of the will of the total constituency or, for that matter, the nation. Nevertheless, they create a sensitive, difficult problem and tension between members of parliament and constituents which should not be necessary. Abolition should come by a vote of this institution, and it must still be argued by the people who believe in abolition.

I did not blame police officers for wanting to broaden the grounds for capital punishment because the legislation which was passed singled them out in a way which was cruel. The other group, prison guards, are not visible to the public, but police officers are, and they have been the only visible people whose murder fell into a different class. That has concentrated attention on them which has not been in their best interests, and certainly the potential threat of the death penalty has not served to prevent their murder, either.

I deny the deterrent value of the death penalty, but the very singling out of those two groups in the legislation ascribed to the death penalty a deterrent value it did not have. Hon. members accepted the bill and voted for it because they felt they were protecting the people they wanted to protect. Here, again, the frustration of the commutations has compounded the intensity of feeling which has developed in the public. I still argue that it has been many, many years in this country, if ever, since life was forfeited for a life in murder. Our system of justice does not, and has not, rested on that delicate balance of a life for a life, although we have heard from all sides that it does and that if we do not maintain this balance, somehow the very structure of our system of justice will crumble under us. I do not believe that. It is easier to reply on a coupon in one of the advertisements run in the newspapers than it is to sit on a jury, as people still must, in our judicial system and after listening to the evidence, decide what the verdict should be. I find that juries have not changed since the one

about 1947 which refused to convict a murderer of two people very close to the community in which I had lived. I have not had much faith in the death penalty since that time, Mr. Speaker. My basic argument against it is its terrible unfairness.

● (1700)

In the Okanagan Valley, in the last year, there have been four cases of murder reduced to manslaughter, for which the sentences ranged from four to seven years. There was the case of the *Crown v. Brown* for the murder of Sadie Edwards at Sicamous. That case did not go to the jury because plea bargaining entered into it. There was a plea of guilty and a sentence of seven years was imposed for that murder. During the Christmas season, Sophie Lorna West was charged with murder in the death of Earl Edward Walker. The circumstances of that murder fitted the very circumstances that so many people argue should lead to the gallows. It was murder for gain. There was a jury trial but, again, the charge was reduced to manslaughter and the sentence was four years. I have not had a single letter of protest from my constituency about any of these cases, Mr. Speaker. One was in my constituency, and the Walker case was just outside. There have been no letters of protest, so it would seem that the verdicts were acccepted.

Mr. Speaker, I am not convinced that a jury that would not convict on a charge of murder in a case which would carry life imprisonment would have the heart to convict in a case where the penalty was death, or that anything would have been changed in any of these cases if we had returned to the death penalty two years ago or in 1973 when this House last debated the subject.

I have talked to my constituents on this topic since 1966 and I find that everyone makes exceptions, everyone names categories of murderers that should not go to the gallows. Some tell me that I would change my mind if I came home one night and found my wife lying in a pool of blood on the kitchen floor. I reply that I do not know how I would act in a moment of such extreme emotion and tension. Then I ask them, how they can be sure that the murderer would hang? I know he would not if he were wealthy or influential—and that point has been dealt with before. He would not if he were young and caught the sympathy of the jury. He would not if he were insane and judged not fit to stand trial. He would not if he were drunk at the time and this lowered his ability to reason. And she would not if she were a woman. It is many years since a woman was hanged in this country. Very rarely, in English-speaking Canada, have we hanged a woman. They are the great exception.

I would point out that if I had committed the murder myself and called it a crime of passion—that other great excuse for murder that still runs through the domestic life of this country and treats the wife as a piece of property to be disposed of by the husband—I probably would not hang. Mr. Speaker, in my experience in this country, life has not been forfeit for life taken in every case.

Those people who send in the coupons in the newspaper advertisements are not asking for the death penalty as the law states it should be applied, or a simple broadening of it; over and over again they are asking for the death penalty without exception. I have written to some of them and told them that I do not believe they really mean the death penalty without exception. I find that everybody has an exception. When we had capital punishment, in the end it involved hanging very few people. They had to be poor, old, ugly and male before they went to the gallows.

I should like to say a word to the abolitionists, Mr. Speaker, because I feel they have been strangely quiet in this debate. This is no time for silence. Although the argument may be tougher now, and although they will be up against a determined public, if they believe the death penalty as it used to be carried out was something that did not benefit this country and did much harm because it diverted attention from the causes of crime, their voices should be raised for abolition. I praise the courage of those people who continue to write—theirs is a more slender stream of letters than from those who support the death penalty—but they should continue to write and urge the total and final abolition of capital punishment in this country.

Can we go back after a generation without capital punishment? The country has changed a lot in that time, particularly the minority groups and native people. Now there are demands for nations within the nation—but how much greater this would be if we returned to capital punishment and the federal government attempted to carry out that sentence without exception? A return to capital punishment would speed the demand for nations within the nation. Within the last two weeks there has been a suicide which has been widely published and is being called a martyrdom. Imagine the tensions that would arise if we were trying to execute a member of the native population. In Vancouver, at the moment, an extradition case is being argued and tensions are rising, although in a sense it is somebody else's problem. These are things we have to consider, Mr. Speaker. The women's liberation movement has made great strides, but I wonder if they would argue for the right to hang women when it has been so long denied them.

● (1710)

I reply to the women who talk to me, write to me and are vehemently in favour of the death penalty, that no woman in the country should argue for capital punishment, partly for the reason I have just mentioned, and for other reasons. Women have been the great exception. For many years half the population has been automatically exempt from the death penalty, not by reason of law but by reason of our custom, tradition, the benevolence of our courts and the kindness of juries. Women have been exempt from the penalty, and the exemption has remained.

The question of the death penalty is closely related to the question of abortion, another tough question which parliament may need to consider again. I get letters which say, in so many words, "Abortion is murder." It seems to me that the public which is aroused about the death penalty and prepared to see a return of the death penalty may also become aroused about the scandal of abortion and seek to change the law in that regard. It seems to me that since some women call abortion murder, and others a matter only for the woman involved and her doctor, there is a split in the nation, a split which a referendum will not settle. I say that because you would have to argue whether men would have the right to vote in that referendum.

While we have been arguing whether to retain the death penalty or abolish it, we have not been at all prepared to abandon our thirst for violence as depicted on the media. In this country and in the country to the south of us we have been steeped, hour by hour, day by day and week by week in a compendium of violence and crime on television which has influenced for more than a generation virtually every child growing up on this continent. We have not been prepared to remove those instructions in violence from our television sets, but have freely sat in front of our sets and enjoyed the stories of violent death and murder in every conceivable shape and form. Then we wonder, as we reap some of the harvest of that depicted violence, whether we should retain the death penalty, whether we should say, "Let us return to capital punishment", and try to clean up a situation which has been spawned by a variety of causes.

It is essential for members of parliament to vote on this issue according to their conscience; and I include the Prime Minister (Mr. Trudeau) and the cabinet. Since this subject is of the utmost importance to the public, I suggest that we ought to be debating a resolution, not a bill. Certainly, we ought not to be debating two bills concerned with so vital an area. The people should trust their elected representatives to vote either for or against abolition. I know that some call for a national referendum on the subject; but a national referendum is not part of the parliamentary tradition we inherited from Great Britain. It was not to the credit of former prime minister Harold Wilson that he employed a referendum in connection with Britain's entry to the Common Market. It was unnecessary, and a waste of public money. Fortunately for Mr. Wilson, the results of the referendum agreed with the vote in parliament.

We should recall, as well, Mackenzie King's referendum on conscription. That referendum raised more questions than it answered and was not followed by legislation based on the results obtained. Therefore, a referendum is unsatisfactory, and until the constitution is changed the ultimate responsibility for action rests in this House. It is our duty to act as the representatives of the people.

This is not a convention of delegates. This is a parliament. It is our duty to debate and then to legislate. If we received our instructions automatically from our constituents, debate would be unnecessary. We would await the results of the polls on any topic and become mere ciphers, carrying out the instructions of our constituents. We do not do this; that is the glory of our parliamentary system.

Let me now say a word about the churches. I have received letters arguing both sides of this question, but have been astonished, after reading some of the letters, to note that they are signed by a minister or a pastor of a church. I am afraid I am not much good at quoting scripture chapter and verse. I had a formidable grandmother who preached endless sermons to me, my brothers and sister; she could quote chapter and verse endlessly. Perhaps, because she did it so well, I have never been able to do it at all. But one thing she did say: her Christianity was based on the New Testament, not on the old law. She told us time and again that the old law was written for our admonition, but our instructions lay in the New Testament.

I still cannot understand why those who study Christ's life and devote their life to His service cannot stand back a bit, so to speak, from the narrow language of chapter and verse and let the glow of the stories of the New Testament light their way through life. Surely that is a better ideal. One remembers many stories. I cannot tell you in which part of the Gospels these stories are to be found; some of them need to be examined thoughtfully, from a little distance. I think, first, of the story concerning the rejection of political power. Christ was taken to the top of the mountain and shown the whole world. I suspect if He had heeded the teachings of some of our modern-day churches, He would have said at the top of the mountain, "Here is a chance to clean up the world." By doing that He would have accepted temptation, rather than rejecting it. But He rejected political power and chose the different route. I think also of the beautiful story in which He commuted the death sentence of the woman taken in adultery. The law called for death and He commuted the sentence at some risk to Himself, because the group which was about to stone her to death was in the heat of passion and thirsted for blood. He dared to commute the woman's sentence. I think of the beatitude of the noble sentiment enshrined in that story: Blessed are the merciful, for they shall find mercy.

I think of the story, perhaps most crucial of all but seldom referred to in this context, of that crazed individual in the cemetery. We do not know if he was guilty of murder; he was guilty of something, perhaps of disturbing the peace. He had been chained, put in the maximum security institution of the day, but still had broken out. Nobody dared to touch him. One suspects the worst about his background. The scripture is silent on that point. The stories of the New Testament teach us that Christ permitted no man or woman to be regarded as an animal, not even one who had been treated as a beast. And I get letters from constituents saying we should sort out the animals from the people. They fail to see how closely interwoven the two can be. But Christ talked to that strange person; nobody had the courage to go with him. Then, when the curious crowd gathered round, they found the sinner seated and in his right mind. There was no suggestion that he needed to serve the rest of his sentence. His rehabilitation was complete and final.

● (1720)

Of course, Christ himself was eventually the victim of capital punishment. Pontius Pilate took a poll. That is something that people forget. He was given the answer very quickly; it was Barabbas. He responded to that impromptu poll. Gallup comes later. We should not forget that part. We should not forget the crucifixion between two common criminals, because that was not accidental. He was numbered with the transgressors. I will not go into the theological difficulties and the "ifs" and the "ors", because what was done was done. It should serve to illuminate the debate going on at the present time.

I have a concern for all the victims, whether it is the battered wife hit too hard once after years and years of battering, whether it is the so-called unfaithful wife, or whether it is somebody beaten to death by somebody while in a drunken stupor. I have a regard for those victims. It

has been a long, long time in this country that a life has been demanded for a life in those circumstances.

If any women in this country feel strongly about it, they should read "Crimes of Passion" in the July, 1975, issue of *Chatelaine*, by Barbara Amiel. She writes well on that subject. She writes about the problem of domestic quarrels, the integrity of the law and concludes with this paragraph:

But perhaps the integrity of the law might be better maintained if we called a spade a spade and a murder a murder and started indicating that our society will not consider the marriage license a discount certificate for reduced rates in case of violence.

One thing is certain; it must be abolition or it must be broader. This is part of what we face. Those who demand a much greater broadening of capital murder have a point because it would make much more sense if it were all or none. We must leave no crack open. In the law as it now is, two cracks were left open. The hope was that no one would dare squeeze through, but they have done so in surprising numbers. Out of that grew a dilemma. Therefore, we must not close off those two and open one more. Here I would refute the argument about the second murder because somebody will squeeze through that very swiftly. Then all the arguments that apply to the first murder will apply to the second: Was it accidental; was it premeditated? All that will arise again and we will have achieved nothing. Sooner than we think we will be back into debate once again.

Would we be able to resist the demands of television to televise executions? We can hardly resist the demand to televise the proceedings in this chamber. If television can enter here and change it as it will inevitably change the role of this institution, how long can we deny the camera access to executions themselves and with results that are not predictable? A great many people say there would be a revulsion if hangings were televised across the nation. I am sure there would be a revulsion if we returned to capital punishment. However, if they were televised, I wonder whether we have not become so depraved that we could enjoy, as a mass, those spectacles. One cannot predict the effects of television. Therefore, I urge that we abandon capital punishment once and for all, altogether, completely and utterly, so that we will not have this ritual sacrifice.

When there have been so few people executed, the executions are in a sense rituals, a sacrifice for the sins of all. Getting back to the church, that has not been necessary for over 1,900 years. Once and for all, the final sacrifice for the sins of the world was made. If we listen to the story at all, we cannot deny the redemptive power that comes through that sacrifice. We should remove capital punishment once and for all and work toward building a society where the causes of murder are removed. We should work toward educating our people to do no murder in this land.

Mr. Mike Landers (Saint John-Lancaster): Mr. Speaker, in response to the encouragement of some of my constituents to vote to abolish the barbarism of capital punishment, I can only relate to this House what my conscience tells me to do and how my present state of mind was reached. Throughout my youth I attended many policy sessions and so-called "think tanks" on the issue of capital punishment. In each and every case I voted in favour of the perennial resolutions for the abolition of capital punishment. However, for better or for worse, I became a Crown attorney in the year 1970.

[Mr. Johnston.]

During my four years as a prosecutor I had the misfortune to assist in the prosecution of a West Saint John, New Brunswick, man who was convicted of having murdered a seven-year old child. During the commission of the murder, a sexual assault took place on the person of the young and innocent girl. I did not feel then, nor do I feel now, that society could afford the luxury of keeping the perpetrator of such a heinous crime alive. The possibility, however remote, exists that the murderer in this case will be released into our midst at some time in the future.

The question that preyed upon my conscience then, as it does now, is: What should be done to such an individual? After considerable thought, some of it during restless hours of the night, the answer came to me that he should be executed—not hanged, but put to death in the most humane way possible. My thoughts on the issue of capital punishment were solidified when a short time later, as prosecutor, I was obliged to attend the autopsy of a five-year old girl who was murdered in the Saint John area. Assuming the perpetrator of this foul deed, who was never apprehended, was found to be legally sane and convicted, he too, in my humble opinion, should be put to death.

I wish that I had not been exposed to these two cases. Also, I wish that compassion for this type of killer could prevail over what my conscience tells me to do. However, that not being the case, I shall cast my ballot against the abolition of the death penalty, bearing in mind that its use should be restricted to a very small number of cases. It is my submission that the state should have the right to decide when the lives of certain criminally-ill murderers should be terminated. I should like to point out, Mr. Speaker, that I am pleased to see the issue being put to a free vote.

● (1730)

In conclusion, may I emphasize that I understand the principles of abolitionists, even though my conscience does not allow me to embrace these principles. I trust that the same understanding will flow from abolitionists to me.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, many members who have participated in this debate have referred to its repetitive nature. To me this only suggests that uncertainty surrounds an issue which has moral overtones. It also suggests to me that the Canadian public has hardly made up its mind on the question of retention or abolition of capital punishment. There is great confusion and profusion of divergent viewpoints.

I think one of the reasons this has persisted over such a long period of time—as some hon. members have indicated, this is the third time we have debated the issue, with inconclusive results—is that the government of the day has failed to provide basic leadership on what I regard as the fundamental function and responsibility of government, and that is the maintenance of peace, order and good government. The style of the present government has had a strong determining influence on the mood of the nation. It has been a style of government that has induced a permissive attitude toward the basic subject of peace, order and good government. Indeed, up until the appearance of Bill C-83, the so-called peace and security legislation, the leadership of the government has been entirely in a permissive direction—easy bail, murders committed while murderers

are out on bail, failure on the part of the government to carry out the law that exists and as it has been determined in two successive free votes in the House of Commons. In other words, the government has failed to accept its responsibilities, and as a result we see this continuing confusion revealed in the debate which is taking place in this House.

We are now back to another free vote. But I wonder, Mr. Speaker, whether it will be a free vote when every member of the cabinet votes, as the cabinet did last time, for the abolitionist position. It seems to me that rather than being a free vote, this is following the principle of cabinet solidarity. I think it would be more to the point if ministers of the Crown, members of the treasury benches, were allowed to follow their conscience in this issue as well as the backbench members of the House of Commons.

My position over the years has been expressed in the attitude of the government of which I was a part in the early 1960s, which was to divide the punishment for homicide, for the capital offence, into two categories, that of capital murder and non-capital murder. Many members during the course of this debate—some have followed the same tack this afternoon—have stated that the possibility of condemning an innocent man to death is one of the reasons they are voting for absolute abolition. Others argue—the hon. member for New Westminster (Mr. Leggatt) made this point—that very serious injustice would be done in cases of this kind. However, Mr. Speaker, with the two categories of murder—which have actually been the law, with slight amendments, up to the present time—any possibility of condemning an innocent man would be done away with absolutely, because capital punishment, the ultimate penalty, would only be administered to those who were syndicated criminals, those who use crime as part of their daily activity—the paid "hit men", the professional gunmen who are appearing with greater frequency in some of our major cities in Canada, as they have in the United States in recent years.

It is a fact—this has been demonstrated in the reports of the Law Reform Commission—that most murders are committed by murderers who are acquainted with their victims. They are domestic crimes—husband and wife, lovers, "friends"; I put that in quotation marks—people of this sort. These murders come under the category of crimes of passion. Under the legislation as it existed in the time of the Diefenbaker government, this type of homicide was tried under the non-capital murder provisions of the Criminal Code.

The question of deterrence has appeared repeatedly. I am not going to argue whether capital punishment deters the crime of homicide; I do not think it does. When you are dealing with the heinous, horrendous kinds of capital murder which would be dealt with under the capital punishment aspects of the Criminal Code, you are, of course, dealing with psychopathic personalities, people without conscience, people who have no compunction about murdering someone. There is absolutely no possibility of their being deterred even by the threat of the ultimate penalty. The hon. member for Vancouver-Kingsway (Mrs. Holt) gave some striking examples from her own personal experience of this sort of psychopathic criminal.

Mr. Speaker, I have had occasion to deal with one such person on a personal basis in the police courts in Toronto back in 1940, and it has had a strong determining influence over the years on the attitude that I have taken toward this issue. The case in point was that of the silk-stocking murder. Bill Newell, a handsome member of the Royal Canadian Air Force, in the early days of the war cut a wide swath in criminal activity in the various places he was stationed across Canada. I came to know Bill Newell in my capacity as a social worker in Toronto and was amazed to find that there was a genuine psychopathic personality, as handsome as a Greek god but without any social conscience or awareness whatever in regard to the crime of murder. He wound up murdering his wife on Centre Island in Toronto in the famous silk-stocking murder.

As the hon. member for Vancouver-Kingsway pointed out, there is, unfortunately, in our society this category of psychopathic personality. What are we going to do with them, Mr. Speaker? As I shall try to point out as I move along in this debate this afternoon, when it comes to the question of vengeance putting a criminal of this kind away for 25 years, for life imprisonment, it is much more cruel, much more punitive, much more vengeful than execution through the due process of the law.

● (1740)

I am arguing the case this afternoon from the legal aspect, not from the religious aspect or from any other aspect that might be involved. I am sure we are all abolitionists at heart, wishing we lived in a society where there was no crime and in a world where there was no war. My generation had to make a decision with the onslaught of the Nazi holocaust in 1940. Some of us were pacifists who believed that war was the ultimate evil, and had even signed the Oxford resolution that under no circumstances should we take up arms for king and country, because man was just too good, with the hope that there would never be any more warfare. We had to make the decision whether we would serve, or refuse, on the basis of our sense of social responsibility.

We do not yet live in our utopias, even though we dream of the day of a utopia when the lion will lie down with the lambs and man shall beat his sword into a plowshare and will not make war against our fellowman. Some of those who seek utopia tell us the golden age is just around the corner, but some of these are the worst criminals in the political and judicial sense. I refer to what has taken place in the U.S.S.R. and in Nazi Germany where genocide and mass murder were perpetrated within our own living memory in the interest of carrying out so-called humanitarian justice.

Our system of justice involves a social contract that citizens enter into voluntarily with the understanding that society will protect them. It becomes a very sorry travesty of justice, and it has not happened in Canada but it could according to present trends, when communities of senior citizens are forced to surround themselves with electrified, barbed-wire fences, patrolled 24 hours a day by security guards, in order to keep out marauders and potential criminals. It is almost like putting the senior citizens in jail and allowing the criminals to run rampant in the community and in society.

What are the methods of handling criminals? At one time society used to ban their criminals, getting rid of them—out of sight, out of mind—by sending them to colonies such as Australia, Canada and notorious Devil's Island. More recently, we have been listening to social scientists and social engineers who believe that all crime has environmental causes, and men and women are criminals because we live in a sick society. They advocate the rehabilitation route for solving the crime problem.

The rehabilitation program has had strong support during our discussion of the subject from time to time in the House of Commons. We must face the sad fact that as we move toward rehabilitation versus the punitive approach, we are faced with the continuing phenomenon of crime repetition or recidivism. Recidivism is a fact, and this can be demonstrated by the prison population which remains at a constant 20,000 inmates, or at least has from the years 1969 to 1974, notwithstanding our system of parole, probation and temporary leaves of absence. It has been demonstrated by scientific analysis that many of these 20,000 inmates are repeaters with numerous sentences behind them.

If this is so, we must point out to our social engineers that prisons cause crimes. This would be true, of course, if the environmental theory is accurate. So this leads to the next approach to solving the criminal problem, and that is to empty the prisons. This is one of the major recommendations of the Law Reform Commission set up by the federal government under the Law Reform Commission Act of 1970 to recommend changes in Canadian law. The Law Reform Commission has been a most powerful advocate of dismantling or downgrading prisons. Some of these recommendations issued in the working papers now before us have been pretty radical. I give as an example the recommendation of a maximum three-year sentence for those violent murderers unlikely to repeat their crime. I challenge any social engineer or social scientist to tell us which of the psychopathic murderers are those who will not repeat their crime.

The law commission has also recommended no greater imprisonment for most violent criminals, and no more life sentences. I mention that because the government, in its attempt to trade off the issue of capital punishment for peace and security, has got itself into a cleft stick. It has been repudiated by the very commission it set up to examine the present state of Canada's criminal law.

If the Law Reform Commission is advocating that we empty our prisons and that there be no more life sentences, how is it that the Justice Department and the Department of the Solicitor General are recommending that we deal with first-degree murder—the imposition of a mandatory life sentence, and for second-degree murder or crimes of passion, which anyone is liable to fall into, but for the grace of God, as John Wesley said—with sentences of up to ten years?

It has been suggested that murder is on the increase, and certainly statistics point in that direction. In 1961, the last year capital punishment was imposed, there were 185 murders, and in 1974 there were 545 murders perpetrated in Canada. This being true, what are we going to do with the recommendation by the social engineers, who have the ear of the government, that we do away with penal institutions completely and divert the prison population back into the community?

There is an interesting article which appears in the current *Quest* magazine outlining the position of Mr. Hans Mohr, a member of the crime commission. He is one of the strongest advocates of doing away with incarceration of criminals. This is the schizophrenic attitude of the government, and this is why parliament is in a schizophrenic mood with members debating the issue almost in both directions simultaneously. How can we bring about rehabilitation in penal institutions, if penal institutions are basically the cause of crime and recidivism is caused mainly by the atmosphere in our existing penal institutions?

● (1750)

There seems to be anarchy in our prisons today. This is mentioned in the report of the crime commissioners. An editorial in the *Globe and Mail* states that our prisons are becoming a no-man's land beyond the rule of law and civilized man. The Solicitor General (Mr. Allmand) has said that the situation in the prisons today is such that it is necessary to break up cliques and gangs and transfer them to other institutions. Yet the government intends to deal with the ultimate crime of murder by sending psychopathic and professional murderers, syndicated murderers and paid killers, to our penal institutions—which have been roundly condemned—for a mandatory life sentence of 25 years.

Obviously, Bill C-84 is a backward move in this regard. If the atmosphere is bad now, what will it be when we have an increasingly larger population of murderers serving life sentences let loose in our penal institutions? If we are to solve the problem, it will be necessary to have special institutions because the lives of the guards will not be worth anything. This is why parliament, the last time it voted, provided an exemption for prison guards and police officers. This will create an absolutely intolerable and impossible situation. As I have already indicated, the trade-off is more cruel than the death penalty itself. It would be a living death for first-degree murderers, and even second-degree murderers would be living in an impossible situation. It seems to me that by the present legislation the government is removing one nightmare and replacing it with another that has even more dire consequences for people.

I wish to spend the last minutes of my presentation this afternoon dealing with the victims of crime. Almost exclusively we are talking about criminals.The Solicitor General has bought, almost without reservation, the argument of the social engineers and social scientists. He agonizes over the psychological strain of imprisonment referred to by the social engineers and shares the worry of the Law Reform Commission which expresses itself in similar words by referring to the anxiety which can be induced by incarceration.

Curiously, the Solicitor General is less concerned about the psychological anxiety of society at large. While the social engineers have been studying the psyches of convicts, a similar study of their victims and a most cursory look at the Gallup polls and letters to the editors which members receive on this subject from the majority of their

constituents will indicate the far more dangerous psychological trauma of society.

I have already referred to the citizens' group that had to surround itself with barbed wire and hire security guards for protection against criminal attack. The Solicitor General has an almost mystical belief in social science and social scientists, notwithstanding the fact that his own departmental people can prove to him that the results of last week had been anticipated with regard to the impact of rehabilitation. He perceives the criminal as a person suffering from a lack of love early in life, who rebels with anti-social behaviour, and he simply cannot believe that criminals are other than sick people. I would point out to him that there are psychologists who have underscored this as a psychopathic situation where the human spirit has been so warped that nothing less than being born again would take out the kinks from these unfortunate victims of our society.

Even the physical scientists today are not so sure they have all the answers in the realm of the material and the physical. At one time they had all the answers. The chemical engineers have discovered that their attempts to change the material environment by miracle sprays and chemicals have had an impact that they could not possibly anticipate. There are no more modest people today than the physical scientists who no longer play the role of God even in a material world. So, I should like to say a word on behalf of the victims and the traumas they experience in the face of the awful crime of first-degree murder.

Finally, to bring my remarks to a conclusion and coming back to the basic issue of peace, order and good government, we are hosting the Olympic games this year. This has been brought up in the House before by one of our most distinguished members. What happens if terrorism is cut loose at the Olympic games, and what if some of the terrorists are apprehended and are incarcerated in our prisons even though the crime might be subject to capital punishment? What happens if hijackings of aircraft ensue in order to attempt the blackmail release of these imprisoned terrorists?

Surely the state has the right to protect itself against those who are out to destroy the integrity of the state. Peace, order and good government must be preserved. It cannot be preserved if we condone the use of the ultimate crime, capital murder, by those who would destroy our way of life deliberately—not those involved in crimes of passion but those who would deliberately set out to destroy our way of life. This is why I support the retention of capital punishment for those who are guilty of first-degree capital murder.

May I call it six o'clock, Mr. Speaker?

Mr. Deputy Speaker: Order, please. It being six o'clock, I do now leave the chair until two o'clock tomorrow afternoon.

At 6 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, May 27, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

ABORTION

COMMENDATION OF EFFORTS OF THOSE SEEKING LEGISLATION TO PROTECT THE UNBORN CHILD—MOTION UNDER S.O. 43

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, on this first anniversary of the presentation to Parliament of a petition signed by more than one million Canadians urging legislation providing for the child conceived but not yet born the same protection as is provided for any other person, and noting, with urgency, that the 48,136 abortions in 1974 were 14 per cent of live births, I move, seconded by the hon. member for York South (Mrs. Appolloni):

That this House commend the organizers of the petition for their continuing efforts to seek legislation to protect the unborn and thus foster a life-sustaining society.

Mr. Speaker: Such a motion pursuant to Standing Order 43 can be presented to the House only with its unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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UNEMPLOYMENT INSURANCE

PROPOSED CANCELLATION OF CHANGE IN ATTACHMENT PERIOD—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I rise on a matter of urgent and pressing necessity. Considering that those parts of the country most seriously affected by the proposed change in the minimum attachment period requirement from eight weeks to 12 weeks for unemployment insurance benefits are precisely those parts of the country most seriously affected by persistent high levels of unemployment, I therefore move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the government be instructed to cancel its proposed intention to make this change in the Unemployment Insurance Act.

Mr. Speaker: Order, please. Such a motion can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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[*Translation*]

HEALTH

REQUEST FOR MORE FUNDS FOR MEDICAL RESEARCH COUNCIL—MOTION UNDER S.O. 43

Mr. Eudore Allard (Rimouski): Mr. Speaker, pursuant to Standing Order 43, I request the unanimous consent of the House to present a motion dealing with a matter of urgent and pressing necessity.

Considering that according to a study published by the Science Council of Canada, the National Research Council of Canada should normally have a budget of some $19.9 million to be able to bring their financing at the same level as in 1969, whereas for the current year, namely 1975-76, the budget of the council has been frozen at $10.9 million; considering that the Canadian Cerebral Palsy Association protest violently against the reduction of funds alloted to medical research and that they go as far as saying that these reductions are deplorable, and considering that in the budget of May 25, the Canadian government does not give priority to medical research, I move, seconded by the hon. member for Roberval (Mr. Gauthier):

That this House order the federal government to take immediately all concrete measures required to enable the Medical Research Council to proceed with their works safely, and to face present and future health problems.

Mr. Speaker: The House has heard the hon. member's motion. Pursuant to the provisions of Standing Order 43, the motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There not being unanimous consent, the motion cannot be put.

* * *

[*English*]

● (1410)

TRANSPORT

ALLEGED FAILURE OF DEPARTMENT POLICY TO CONSIDER ECONOMIC CONDITIONS IN ATLANTIC PROVINCES—MOTION UNDER S.O. 43

Mr. David MacDonald (Egmont): Mr. Speaker, I rise on a matter of urgent and pressing necessity which threatens the very basis of Confederation in this country. The dis-

parity between the regions of Canada is well known, but the disparity between government rhetoric as opposed to concrete action in resolving these problems has now reached scandalous proportions. Nowhere is this more obvious than in transport policy, as evidenced by a statement this week, the one contained in the communique issued yesterday following the meeting of the Council of Maritime Premiers, which said that:

The announced allocation of transportation expenditures reductions was deemed to be inconsistent with programs designed to correct regional disparity.

The other by the Hon. Gilbert Clements, Minister of Tourism in P.E.I., who felt the situation was serious enough to request an appearance before our Standing Committee on Regional Development, where he stated on Tuesday that—

Mr. Speaker: Order, please. Surely the spirit of Standing Order 43 is clear. It enables hon. members to expose briefly the urgency of the motion that is put before the House, not to debate it.

Mr. MacDonald (Egmont): Perhaps I can put the motion, Mr. Speaker. Because of the concern expressed by a number of members and ministers, I move, seconded by the hon. member for St. John's East (Mr. McGrath):

That the Minister of Transport meet immediately with the Atlantic premiers, as requested by them, and that he make a statement on motions in the House at the earliest possible date to justify his department's insensitivity to the needs of our poorer regions.

Mr. Speaker: The motion can be presented to the House only with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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AIR CANADA

SUGGESTED DENIAL OF FARE INCREASE PENDING INVESTIGATION OF OPERATIONS BY AUDITOR GENERAL—MOTION UNDER S.O. 43

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. Yesterday the president of Air Canada announced that Air Canada will be seeking increased air fares in the near future. These proposed increases come within months of the previous increases of April 18. In light of the fact that fare increases are usually directly related to higher operational costs, and in light of the financial fiasco in the finance branch of Air Canada in Winnipeg, I would like to move, seconded by the hon. member for Selkirk (Mr. Whiteway):

That this House direct the Canadian Transport Commission to not consider any air fare increases for Air Canada until the Auditor General, under direction from this House, has had the opportunity to do a complete investigation of Air Canada's financial operations to determine that proposed air fare increases are justified, and furthermore that upon receipt of the Auditor General's report the CTC be informed as to whether or not such fare increases are justified.

Furthermore in light of the fact that Air Canada has not been before the Standing Committee on Transport and Communications since 1973, that the president of Air Canada, Mr. Claude Taylor, be directed to appear before the Standing Committe on Transport and Communications immediately.

Mr. Speaker: Such a motion pursuant to Standing Order 43 can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

TRANSPORT

RATIONALIZATION OF TRANSPORT POLICY WITH OTHER PROGRAMS FOR THE ATLANTIC REGION—CONSULTATION WITH PROVINCES

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of Transport. It relates to the very strong statement issued yesterday afternoon by the Council of Maritime Premiers, in effect a denunciation of federal transport policy and raising specific questions about the co-ordination of such a policy with the government's program and the announced commitment to regional economic development. In view of the specific request by the Atlantic premiers made in February concerning the revised intra-regional freight assistance program and the fact that there has yet been no official response from the Minister of Transport, can he explain the shocking disregard of this request and what in fact is the basic commitment of the federal government in respect of the rationalization of the transport policy with other programs of economic development in the region?

Hon. Otto E. Lang (Minister of Transport): Rather than a shocking disregard there was indeed careful consideration of the position, including a possible position which had been generally agreed upon between the Atlantic transportation ministers and ourselves with regard to certain freight subsidies, and on that further consideration we decided to have rather longer term discussions before making any move. Indeed, for the present time, therefore, there has not been any further action taken on the $5 million cut in the inter subsidy which had been proposed earlier. The discussions indeed will proceed, but any such action will only be taken when we are satisfied that what we are doing with the available money for transportation is in the best interests of the Atlantic provinces.

Mr. MacDonald (Egmont): I wonder whether the minister can indicate why no information was conveyed or no official response was given to the governments of the Atlantic provinces. In addition, can he indicate what steps have been taken with regard to the announced increase by CN and CP concerning freight rates as of July 1 for that region, and has the minister arranged any meeting with the provincial premiers in order to alleviate the obvious concern and anxiety they have with respect to federal transport policy?

Mr. Lang: There are possible contacts at different levels, and the ones that I had foreseen were preliminary discussions between our officials and the officials from the Atlantic region. Indeed, I will be very surprised if those discussions have not already been under way. It may be that the premiers were simply not aware of what may be done. I obviously would be prepared to meet the premiers. I have a regular system of meeting with the Atlantic transport ministers, and I had thought that would be the ordinary way of going about dealing with transportation issues, but it does seem that each time the premiers meet they raise the subject in a significant way. I will certainly be delighted to join them at some meeting if that is their wish.

Mr. MacDonald (Egmont): In view of the fact that the council of premiers did issue this very strong statement, and considering their particular anxiety with respect, perhaps, to a decline in the federal commitment with respect to a co-ordination of transport policy in terms of the commitment to alleviate regional economic disparities, I wonder if the minister will indicate whether he stands by the same commitments made by his predecessor, now the Minister of the Environment, with respect to the fact that transportation policy had to take into account the special needs which exist in the various regions of this country, and if so, perhaps he would be prepared to make a statement shortly on motions with a view to alleviating the anxieties which presently exist in the region.

Mr. Lang: There is certainly no need for the anxiety, and let that be the statement. In fact, the ongoing position is very much to take regional problems into consideration, and it is our intention—and I convyed this to the Atlantic ministers at our last meeting—to include that as a statement of principle in legislation which will be before this House in the next session, which is also known to them as being in our schedule.

Therefore, there has been every assurance. We have a regular and ongoing system of meetings with the federal and Atlantic provincial transportation ministers which can take all these matters into consideration. Indeed, we have ongoing and regular meetings of officials, and I think the system is working very well. I am somewhat surprised that there might be a breakdown in communication between the transportation ministers and the premiers of the Atlantic provinces.

POSITION OF ATLANTIC PREMIERS ON BUDGET REDUCTION AND DELETION OF SUBSIDY ON EXPORTED WHEAT AND FLOUR—CONSULTATION WITH PROVINCES

Hon. Robert L. Stanfield (Halifax): Mr. Speaker, the minister says that nothing is being done without consultation, and indeed, approval of the provincial leaders in the Atlantic provinces. Is he suggesting that the premiers or the appropriate ministers in the Atlantic provinces approve of the fact that of the $41.2 million removed from the transport budget as of December, 1975, some $22 million touched on the Atlantic region, and that the leaders in those provinces approved the provision in the bill before the House to delete the subsidy on the export of wheat and flour?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I would like to make it quite clear that I did not say that in every case before action is taken there will indeed be approval of the region. That may be a bit too much to ask, in terms of the obvious desire on the part of any particular region not to pay additional amounts and to have increased and never decreased subsidies. Region by region that is understandable, but not very consistent with the over-all problem of spending in this country.

Furthermore, I would say that the figure is quite wrong in terms of the proportion of savings, and we discussed this fully with the Atlantic transportation ministers some months ago. Furthermore, wrong as it is, it includes, for instance, the very $5 million which, as I just indicated to the hon. member for Egmont, has not been gone ahead with even though the particular slicing of that $5 million was an agreed matter in terms of better re-arrangement of subsidies. Obviously, in regard to increases in ferry charges, those who have to pay them prefer not to pay them, but on occasion we have to face the fact that as costs increase, some charges have to increase too.

Mr. Stanfield: I take it that the minister approves of selective consultation. I would like to ask him whether he has had adequate consultation to work out an integrated approach to transportation problems in the Atlantic provinces with a view to fostering the development of those provinces rather than what seems to be a hit and miss effort on the part of his department to cut back on subsidies here and there.

● (1420)

Mr. Lang: Mr. Speaker, the hon. member for Halifax suggests that I have been talking about a selective approach but I have not. I have been talking about an all-embracing approach to consultation. If he thinks that what I mean by consultation is to give the final decision and an ultimate veto to a region, that is wrong. There is a need for the federal government to take some decisions and to take the responsibility for them. There cannot be a simple veto and control by any region in this country. I can assure the hon. member that there is the fullest consultation and consideration of the Atlantic need and the very organization of the committee of Atlantic transportation ministers with myself and with our officials working on an on-going basis is designed exactly for that purpose and will be doing a good job of it.

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UNEMPLOYMENT INSURANCE

CHANGE IN MINIMUM ATTACHMENT PERIOD FOR ELIGIBILITY—CONSULTATION WITH PROVINCES

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, continuing on the question of consultation I have a question for the Minister of Finance. Could the minister inform the House whether provincial governments, particularly in the Atlantic provinces and Quebec, were consulted before he announced in his budget two nights ago, the proposed regressive changes in the Unemployment Insurance Act which would change the minimum attachment period for

eligibility from eight weeks to twelve weeks? Were the provinces consulted and if so, what were their views?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, perhaps I might be permitted to reply to the hon. member. The answer is that we have had a series of bilateral consultations with the provinces, which I think included every one of them, on a range of options which we are looking at, including the one to which reference was made. As recently as about three weeks ago, I indicated at a meeting I attended with the ministers responsible, or at that time designated, for manpower matters, some of the ideas that we had and indeed they have had some presentation on some of the reasoning behind them.

Mr. Broadbent: A supplementary question, Mr. Speaker, and perhaps the minister would try to answer it precisely. Could he tell us particularly whether the governments of the Atlantic provinces and the province of Quebec approved the specific change of the minimum attachment period that is required for unemployment insurance benefits to be changed from eight weeks to twelve weeks?

Mr. Andras: Briefly, Mr. Speaker, they did not give us any precise answer. They knew that these were options being considered for a very great length of time. Their responses, both verbally and in writing, were not precise. I will check on my correspondence to see if I can enlighten the hon. member more precisely, but that is it as I recall it.

POSSIBILITY OF LEGISLATION CONCERNING MINIMUM ATTACHMENT PERIOD

Mr. Edward Broadbent (Oshawa-Whitby): A final supplementary question, Mr. Speaker. Considering that those parts of Canada most adversely affected by the proposed changes will be precisely those with the most persistent high levels of unemployment, I would doubt that the provinces in question would have agreed to such changes. Having given consideration over the past couple of days to the impact of these changes on the parts of Canada I have mentioned, could the minister tell the House if the government will now announce its intention not to bring that amendment before the House?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Very specifically, Mr. Speaker, the answer is no. I will be glad at the proper time and when time permits to elaborate on some of the measures and some of the reasoning for it. I want to indicate, as I did yesterday, that the government cost-savings that might result from that plus other measures alluded to by the Minister of Finance and myself in this House, are designed precisely to be directed to and compensate on a selective basis the impact where it needs to be compensated for in those provinces or any other areas of high unemployment.

[Mr. Broadbent.]

[*Translation*]

ENVIRONMENTAL AFFAIRS

INQUIRY AS TO MEASURES TO SOLVE PROBLEM OF MERCURY POLLUTION

Mr. Armand Caouette (Villeneuve): Mr. Speaker, my question is directed to the Minister of the Environment.

Could the minister tell the House whether he had any contact with the committee responsible for studying the mercury pollution problem in affected areas and, if so, what he plans to do or what is done in this area to settle this serious problem?

Hon. Jean Marchand (Minister of the Environment): Mr. Speaker, recently we drafted new regulations on the emission of mercury into the environment. The hon. member knows that in 1970, about 12 tons of mercury found their way into the environment, which was decreased to about 2 tons. I think it will be even less than that with the new regulations which will probably be enforced within a few weeks, because we are in consultation with the industry and the provinces.

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[*English*]

UNEMPLOYMENT INSURANCE

EFFECT ON WELFARE ROLLS OF EXTENSION OF QUALIFYING PERIOD FOR ELIGIBILITY

Mr. James A. McGrath (St. John's East): Mr. Speaker, my question is supplementary to that asked by the hon. member for Oshawa-Whitby and is directed to the Minister of Manpower and Immigration. As stated in its most recent report, dealing with the extension of the qualifying period for unemployment insurance, the Economic Council of Canada said:

—such recommendations could prove harmful to persons most exposed to periodic and genuinely involuntary unemployment.

I ask the minister if he has taken into account the fact that this move to increase the qualifying period from eight to 12 weeks will have a serious effect on the delicate employment potential in the Atlantic provinces, given the seasonal nature in many of the region's employment opportunities at present, and will result—

Mr. Broadbent: Ask Lincoln Alexander.

Mr. McGrath: —and will result in substantial numbers of people in the region being placed on the already overburdened social welfare rolls?

Mr. Broadbent: Why don't you ask Lincoln Alexander?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I am wondering if the hon. member for Hamilton West should not be delegated to answer the question posed by the hon. member from Newfoundland. Seriously, we are fully aware of these implications. Our intention is to attempt in a better and more constructive way to provide alternatives which I think will be more beneficial both to the recipients of unemployment insurance in that category and, indeed, to the economy of that region as a whole.

An hon. Member: Next time we might as well ask Bryce Mackasey.

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NATIONAL DEFENCE

PURCHASE OF LEOPARD TANKS—POSSIBLE INVOLVEMENT OF MINISTER

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, my question is for the Minister of National Defence. On Tuesday the minister confirmed that negotiations are proceeding with the West German government for the purchase of Leopard I tanks but said he could not talk about or describe the details concerning the price of those tanks. Since officials accompanying the Secretary of State for External Affairs have been briefing reporters in Europe on details of this tank acquisition program and since what the press calls government officials have been briefing reporters in this country, could the minister tell us whether he himself, or his department, is directly involved in the negotiations for this purchase?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, the Department of National Defence of course is directly involved in the negotiations. When they have been completed, details will be released.

Mr. McKenzie: A supplementary question, Mr. Speaker. I ask the minister, how is this purchase being negotiated? Is there an interdepartmental project office? If so, under whose direction is it; and, what steps are being taken to ensure that this time officials of the Department of Supply and Services and the Minister of Supply and Services are kept fully informed on all developments?

Mr. Richardson: Mr. Speaker, there is no interdepartmental project office. Of course, the Department of Supply and Services will be responsible for the contract and its signing.

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SUPPLY AND SERVICES

PURCHASE OF LEOPARD TANKS—CONSULTATIONS WITH NATIONAL DEFENCE

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, may I direct my final supplementary question to the Minister of Supply and Services? Bearing in mind the minister's experience, or lack of it, with the LRPA negotiations, can the minister tell the House what steps he is taking to ensure that this time both he and his officials will be kept fully informed of all developments with respect to the acquisition of these tanks, including the amount of money available for the purchase in the Department of National Defence budget?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, there are full consultations.

FRESHWATER FISH MARKETING CORPORATION

PROPOSAL TO GRANT EXPORT LICENCE TO SELL FISH OUTSIDE CORPORATION—REQUEST FOR ANALYSIS OF PROCESSING COSTS

Mr. Dean Whiteway (Selkirk): Mr. Speaker, may I direct my question to the Minister of State responsible for fisheries? It has to do, Sir, with the matter I raised several weeks ago concerning the Freshwater Fish Marketing Act, in particular the provisions of Part III, section 23(2). I gave the minister notice of my question and wonder if he can now say whether the corporation intends to obey the law and allow fishermen an export licence with which to sell their fish outside the jurisdiction of the corporation, according to the Act?

Hon. Roméo LeBlanc (Minister of State (Fisheries)): Mr. Speaker, I thank the hon. member for giving me notice. In reply to his question I say that I remain convinced that the Freshwater Fish Marketing Corporation is the best vehicle for serving the over-all needs of fishermen through its single marketing desk approach. I am not able to agree with the hon. member's request, because I feel it would lead to erosion of the corporation and loss in the strength of the single selling desk approach, as created by the Act.

Mr. Whiteway: A supplementary question, Mr. Speaker. As prices quoted at Motley, Minnesota, are 50 per cent higher than prices offered by the corporation and as the original concept of the corporation, that of a single desk marketing agency, is now saddled with an astronomically high capital cost, will the minister reassess his position and direct the corporation to open its books and analyse, per pound per species, the cost of the processing done by the corporation?

● (1430)

Mr. LeBlanc (Westmorland-Kent): Mr. Speaker, the hon. member will recognize that it is not my function to direct a corporation of this type on a day to day basis. There is a board on which all provinces are represented. Included are a good number of fishermen. There is also a very wide advisory board where fishermen are represented in very large numbers. They are involved in the setting of initial prices which, recognizing the high costs of processing, are set as high as possible with the final price set at the end of the season. The corporation has in fact been rather successful in this operation. Because of a passing difference in prices, which might be very temporary, I am not sure whether the hon. member would like to erode the role of corporation.

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INDUSTRY

EFFECT OF TAX ON LARGE VEHICLES ON AUTOMOBILE INDUSTRY AND PACT WITH UNITED STATES

Mr. Gilbert Parent (St. Catharines): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. In view of the fact that the Minister of Finance stated in his budget address that there will be a four-year escalation of the special taxes on gas-guzzling cars in order

to encourage a switch to lighter, more efficient cars, what will be the anticipated effect on the auto industry in Canada and what effect, if any, will it have on the auto pact with the United States?

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): As far as I have been able to determine, Mr. Speaker, and there has been considerable consultation, it should not have any particular effect on auto sales in Canada. Indeed, I am happy to report, and hon. members may have noted, the first quarter of this year was substantially better than last year. On the second point, I do not think it will have any effect on the auto pact, other than two studies under way at the present time, one in each country, with a view to determining where the auto industry in headed in light of new developments on conservation and related questions.

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EXTERNAL AFFAIRS

CANADIAN COMMITMENT TO COMMON FUND ESTABLISHED BY UNCTAD CONFERENCE

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is to the Parliamentary Secretary to the Secretary of State for External Affairs. In view of the fact that this is the last week of the U.N. Conference, UNCTAD IV, in Nairobi, and in view of the fact that the developing countries regard a positive commitment in principle, with a dollar figure attached, to the common fund as an indication of the sincerity of the commitment of Canada and other developed countries to the new economic order and to a genuine effort to meet the claim of the developing world for a fairer trade system, will the parliamentary secretary or some other member of the government assure the House that Canada is prepared to make such a commitment with the dollar figure attached to the common fund before the conference closes?

Hon. Mitchell Sharp (Acting Secretary of State for External Affairs): As the Acting Secretary of State for External Affairs, may I be permitted to answer this question. As had been announced in the House, the government has made a dollar contribution to the tin stabilization fund which is one of the commodities that is under discussion in connection with the whole of the common fund. Today in cabinet it was decided that there would be a contribution by Canada to a common fund, providing that certain very logical and I think reasonable precautions are taken.

Mr. Brewin: Will the minister advise whether that commitment that he has given, and which I very much welcome, has or will have a definite dollar figure attached to it, as other nations are making pledges which actually state the amount they are prepared to contribute.

Mr. Sharp: Mr. Speaker, one of the problems is that one cannot be very sure yet what the dimensions of the need will be. I can assure the hon. member that Canada is prepared to play its full part in any such common fund.

[Mr. Parent.]

SUGGESTED REALLOCATION OF PRIORITIES WITHIN CIDA TO PERMIT CONTRIBUTION TO UNCTAD COMMON FUND

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, I have a supplementary question for the Acting Secretary of State for External Affairs. Given the fact that Canada has agreed in principle to a common fund at UNCTAD IV, is the government willing to pay its share, which has been estimated at around $25 million, and to find that money by reallocating the priorities within CIDA so that there is no additional money being spent, but merely a reordering of existing priorities?

Hon. Mitchell Sharp (Acting Secretary of State for External Affairs): Mr. Speaker, I have not heard that particular suggestion. I will take note of it. I want to assure the House that Canada understands its responsibility in connection with the underdeveloped world. Indeed, we have been one of the leaders and we intend to remain so.

* * *

INFORMATION

POSSIBLE INTRODUCTION OF LEGISLATION ON FREEDOM OF INFORMATION AND APPEARANCE OF PRESIDENT OF PRIVY COUNCIL BEFORE COMMITTEES

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the President of the Privy Council of which I gave him notice several days ago. In light of the hopefully impending end of this session and for the purpose of permitting the Joint Committee on Statutory Instruments to organize its work with regard to freedom of information, will the minister advise whether it is the intention of the government to introduce legislation which, with due regard for the interest of the state and adequate protection of personal privacy, will provide statutory rules as to freedom of information?

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, preparation of legislation along these lines is underway within the government service. I cannot give an undertaking that a bill will emerge at any particular time, except to say that we are giving some priority to it. The hon. member, who has put forward his own version, understands the inherent difficulties and has pointed to some of the problems that would arise.

Mr. Baldwin: Will the hon. gentleman discuss with the chairmen of the joint committee the possibility of appearing once more before that committee on behalf of the government to consider the usefulness of an omnibus bill dealing with freedom of information, automatic data processing and safeguarding of personal privacy in that regard all of which are matters in which the committee is seized of jurisdiction. The alternative is bringing in an omnibus bill or more than one bill to deal with these very complex and difficult subjects.

Mr. Sharp: Mr. Speaker, I have had the opportunity of speaking privately to the joint chairmen and have indicated my interest in their work. As to whether I will appear again before the committee, I hesitate to say. However, I hope that the committee will continue its studies of these

subjects because the government will be looking forward with interest to its recommendations.

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STATISTICS CANADA

POSSIBILITY MANPOWER CONSULTED IN SELECTION OF CENSUS COMMISSIONERS

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): Mr. Speaker, my question, concerning job creation in Canada, is for the Minister of Industry, Trade and Commerce. Did the minister or his department make any contact with or seek the advice of the Manpower Department or make any effort to give employment to competent unemployed people registered with Manpower in their apparent partisan selection of census commissioners for this year's census taking, beginning June 1?

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, I am informed that some of those who were appointed census commissioners were in fact recruited through the Manpower Centres to which the hon. member has referred.

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MANPOWER

INQUIRY WHETHER PERSONS CHOSEN AS CENSUS COMMISSIONERS WERE REGISTERED AS UNEMPLOYED

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): Mr. Speaker, I will direct my supplementary question to the Minister of Manpower and Immigration. Were the persons chosen as census commissioners registered as unemployed with Manpower?

Hon. Robert K. Andras (Minister of Manpower and Immigration): My apologies, Mr. Speaker, I did not hear the question. Will the hon. member repeat it?

Mr. Alkenbrack: Were the persons chosen as census commissioners registered as unemployed with Manpower?

Mr. Andras: Mr. Speaker, I'm damned if I know.

Some hon. Members: Hear, hear!

* * *

PERFORMING ARTS

MEASURE TO REDUCE CAPITAL COST ALLOWANCE OF FILMS AND VIDEO PRODUCTIONS—EFFECT ON INDUSTRY

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, in view of that very frank and honest answer, I know I will get an answer to my question. In the absence of the Minister of Communications, who I guess is tracking satellites or the Secretary of State who is not in the House but is perhaps out searching for stars, I will direct my question to the Prime Minister. I should like to ask the Prime Minister a question involving the budget of the other night because of the Prime Minister's interest in third options and contractual links. Would he tell the House whether the provision in the budget to reduce the capital cost allowance for the production of Canadian films and video productions is in the best interest of Canadian broadcasting and this whole business of the Canadianization of our own broadcasting waves?

● (1440)

Right Hon. P. E. Trudeau (Prime Minister): I am flattered to think the hon. member is asking me for an opinion and I am pleased to tell him that everything in the budget is for the good of Canadians.

Mr. Nowlan: I knew, Mr. Speaker, that we would not get the frankness from the Prime Minister as from the Minister of Manpower and Immigration. But can the right hon. gentleman, as the leader of the land and as the leader of a cabinet which includes the Minister of State who made a very interesting speech on Canadian content and what we should do to make Canadians more aware of what we have done in Canada, explain to the House how a capital cost disallowance from 100 per cent to 30 per cent in the case of films and 60 per cent to 30 per cent in the case of video productions in Canada will help Canadian broadcasters fight the problem of conveying Canadian scenes to Canadians and the importation of foreign signals?

Hon. Donald S. Macdonald (Minister of Finance): Perhaps I might advise the hon. member that the reduction in allowances are with respect to films from foreign sources. Canadian films or video tape will continue to enjoy favourable capital cost allowance rates.

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LABOUR CONDITIONS

NECESSITY FOR EARLY DECISION FROM ANTI-INFLATION BOARD TO AVOID STRIKE AT THOMPSON, MANITOBA

Mr. John Fraser (Vancouver South): Mr. Speaker, my question is directed to the Minister of Labour. Last week I asked him about the situation in the City of Thompson, Manitoba. Subsequently the Anti-Inflation Board agreed to review its roll-back decision. The situation at the present time is that the people concerned in Thompson have received no reply from the Anti-Inflation Board and that a strike vote is about to take place. Can the minister tell the House what is going on? Is there any hope there will be an answer from the Board in time to avoid this strike?

Hon. John C. Munro (Minister of Labour): The Anti-Inflation Board is endeavouring to deal with the matters before it with all possible despatch and I hope it will come to a decision in this case very soon.

Mr. Fraser: Might I remind the minister, through you Mr. Speaker, that the Board said it would have an answer ready by May 20. I would ask the hon. gentleman, through Your Honour, to use his good offices to hurry that answer because in its absence there is going to be a strike—one which does not need to take place at all since both management and the union are in agreement.

Mr. Munro (Hamilton East): Officials of the United Steel Workers of America have been in touch with me and people in my department to facilitate procedural matters with the AIB, and we have endeavoured to co-operate with them.

REASON FOR DELAY IN ANTI-INFLATION BOARD DECISION ON CASE AT THOMPSON, MANITOBA

Mr. Cecil Smith (Churchill): My question, too, is directed to the Minister of Labour. I should like to ask him why the decision on the roll-back at Elliot Lake was made within two weeks yet it has taken one month now for the AIB to make the decision on Thompson and they are still without definite information?

Mr. John C. Munro (Minister of Labour): This question relates to the period within which the decisions of the Board are made, and it is within the domain of the AIB. I feel they are doing the very best job they can in the circumstances.

Mr. Smith (Churchill): Is the minister saying that the Anti-Inflation Board is as incapable of making a decision as is the government?

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AGRICULTURE

LOWER PAY FOR VETERINARIANS THAN FOR TECHNICIANS—GOVERNMENT POSITION

Mr. Arnold Malone (Battle River): Mr. Speaker, my question is for the Minister of Agriculture. Does the minister approve of the fact that technicians who are doing blood testing in suspected cases of Bangs diseases are paid a higher salary than veterinarians who are doctors of animal medicine and who are supposed to be in charge of the local health of animals technicians they are supervising?

Hon. E. F. Whelan (Minister of Agriculture): I understand that the technicians are under contract while the veterinarians are paid a straight salary. But I would have to check into this matter, and if the hon. member has any real facts to bring out I will be happy to look into them.

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HEALTH

HEALTH STANDARDS AND REGULATION FOR ATHLETES AND VISITORS TO OLYMPIC GAMES

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to ask the Minister of National Health and Welfare a question arising from widespread concern that adequate protection and safeguards against diseases which may be brought in by visitors to the Olympic Games have not been carried out. Bearing in mind the view expressed by Professor Berkowitz of Toronto, who specializes in health economics, when he stated it is incredible that plans are not more highly developed six weeks before the Games, would the minister advise the House just what the health status requirements are and whether they have been met?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I am pleased to inform the hon. member that the standards required at the Olympics for the admission of foreign athletes and visitors will be the same as those which generally prevail in Canada, and that the standards will not be lowered for the games.

Besides, to alleviate the danger of serious contagious diseases developing, we have taken special interim measures to provide isolation facilities to prospective patients. In particular, we have ordered from the Vickers Company in England three isolation units, one of which has already arrived in Canada and the other two are expected to be delivered shortly. Those beds will be made available at the National Defence Hospital here in Ottawa to meet any emergency which might arise during the Olympics.

[*English*]

Mr. Rynard: Will all the athletes coming have a health innoculation card showing that necessary innoculations have been carried out.

[*Translation*]

Mr. Lalonde: Mr. Speaker, all athletes entering Canada will have to meet the usual standards which have been set up according to present regulations. No exception will be made for athletes who will have to face the same requirements as other visitors now coming to Canada.

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[*English*]

NORTHERN AFFAIRS

YUKON—PROPOSED CREATION OF FOUR RIDINGS IN WHICH ONLY INDIANS AND METIS MAY VOTE—GOVERNMENT POSITION

Mr. Doug Neil (Moose Jaw): Mr. Speaker, my question is for the Prime Minister. In view of a report from Whitehorse to the effect that the executive committee of the Yukon is proposing the creation of four ridings within which only Indian and Metis people will have the right to vote, can the right hon. gentleman advise us whether or not the Minister of Indian Affairs and Northern Development or officials of his department or, indeed, any officials of the government have had discussion with the executive committee on the subject, and whether this proposal constitutes federal government policy?

Right Hon. P. E. Trudeau (Prime Minister): I will inquire, Mr. Speaker.

POSSIBLE INVOLVEMENT OF TERRITORIAL COUNCIL IN LAND CLAIMS OF NATIVES

Mr. Doug Neil (Moose Jaw): Is it the intention of the government to involve the administration and the Territorial Council in negotiations with the Indian people in the Northwest Territories and the Yukon in connection with their land claims?

Right Hon. P. E. Trudeau (Prime Minister): The negotiations are with the native people but certain consequences of those negotiations, on municipal structures, for instance, are of importance to the whole of the Yukon and as far as these matters are concerned the Territorial Government and the municipal structures have to be informed.

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INDUSTRY

AEROSPACE COMPANIES—POSSIBLE INVENTORY OF MANUFACTURING CAPABILITIES

Mr. Gus MacFarlane (Hamilton Mountain): Mr. Speaker, my question is addressed to the Minister of Industry, Trade and Commerce. Is the department considering an immediate inventory of manufacturing capabilities within existing aerospace companies. I ask this question having in mind recent newspaper articles alluding to the intention to establish a new government super corporation to control Canadian airframe companies.

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Yes, Mr. Speaker, something along the lines of what the hon. member has mentioned is under way. We know pretty thoroughly what Canadair and de Havilland have by way of inventory, in confidence, but a more thorough assessment is being undertaken to determine just what the aerospace capabilities are in the country in total. This is part of an ongoing study of strategy for the aerospace industry.

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FINANCE

POSSIBILITY OF INCREASE IN TARIFF ON FOREIGN AUTOMOBILES

Mr. Leonard C. Jones (Moncton): Mr. Speaker, may I ask the Minister of Finance whether he intends to propose to the House an increase in the tariff on foreign automobiles not covered by the Canada-U.S. auto pact, to protect the Canadian auto market?

● (1450)

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, subject to a detailed examination of the ways and means resolution with regard to tariff changes, I think the answer would be no.

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TRANSPORT

LOSS TO VANCOUVER OF TOURIST REVENUE AS RESULT OF PROHIBITION OF FOREIGN PASSENGER COASTING VESSELS—GOVERNMENT ACTION

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question is directed to the Minister of Transport. Considerable concern has been expressed in the lower mainland concerning the loss of passenger tourist traffic as a result of the operation of Bill C-61 which would remove foreign passenger coasting vessels. While I respect the intention of the minister's bill, can he give any assurance to the residents of the lower mainland that the approximate $29 million in tourist revenue flowing into Vancouver as a result of that traffic will not be impeded by the passage of this bill, and does the minister have any specific changes to propose to the bill or specific recommendations to see that this traffic does not dry up?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I can give an assurance and, in fact, it is important to note that the question is somewhat misleading in that at the present time foreign vessels can engage in the coasting trade only with a very long process of exemptions through national revenue. What is really proposed is a simplification of the procedures and essential sets of regulations which will allow for the appropriate engagement of non-Canadian vessels whenever that presence is seen as desirable. It is also my intention to reassure everyone, as I have been doing, that the fullest kind of consultation will take place in connection with regulations which may be proposed, and until there is a high degree of satisfaction with those regulations it would not be my intention to proclaim sections 8 to 14 of the bill.

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AGRICULTURE

REQUEST FOR REPORT ON STUDY OF EFFECT OF REMOVAL OF FREIGHT SUBSIDY ON WHEAT AND FLOUR FOR EXPORT

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the Minister of Agriculture and is a follow-up to a question asked earlier by the hon. member for Halifax. The Minister of Agriculture advised that studies were being carried out in respect of the proposed removal of the flour and grain subsidies provided by section 272 of the Railway Act. Is the minister now able to advise as to the gist of those studies and, more particularly, whether the Minister of Transport is either wise or shrewd in doing away with a program before coming up with a definite replacement such as a unit train grain movement between the prairies and Halifax or Saint John?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, in answer to the first part of the question, I am not aware whether the study or the discussions have been completed. I believe they have been, but I would have to check. I am sure the Minister of Transport is not blind.

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TRANSPORT

INCREASE IN FREIGHT RATES TO HALIFAX AND SAINT JOHN BUT NOT TO TORONTO AND MONTREAL—GOVERNMENT POSITION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I should like to direct a question to the Minister of Transport which is supplementary to the question just asked and one asked earlier today. Earlier the minister attempted to reassure the House that the application of the "user pay" principle was being carried out equitably in all

regions of Canada. In light of that general thrust to the minister's response, would he indicate what is equitable about the application of a further 7 per cent increase in freight rates in respect of the ports of Saint John, New Brunswick and Halifax, Nova Scotia, and in general to eastern traffic rates, and not to the areas east of Diamond Point affecting the movement of traffic in the upper river at Montreal, Toronto and the ports of New York and Baltimore?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I do not think I should undertake to analyse the rates, especially since many of them are only distantly under my jurisdiction. Certainly, it would take a statement on motions or a speech to do the job.

Mr. Forrestall: You don't deny it then, in other words?

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NATIONAL DEFENCE

POSSIBILITY DREE USED TO AID FINANCIALLY DISTRESSED AREAS FOLLOWING CLOSURE OF BASES

Mr. Bob Brisco (Kootenay West): Mr. Speaker, has the Minister of National Defence received any communication from the Minister of Regional Economic Expansion, or have there been any discussions with reference to the proposal that DREE be substituted as a means of resolving financial stress in communities where the Department of National Defence may withdraw its base facilities?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, of course there is departmental consultation on these matters and DREE is always involved in any discussion involving base closure or adjustment.

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REGIONAL ECONOMIC EXPANSION

POSSIBILITY DREE USED TO AID FINANCIALLY DISTRESSED AREAS FOLLOWING CLOSURE OF BASES—INQUIRY AS TO PLANS

Mr. Bob Brisco (Kootenay West): Mr. Speaker, my supplementary question is directed to the minister responsible for DREE. Can he give the House any indication as to what phase these discussions have reached, whether there has been a specific proposal to utilize DREE programs in cases where DND withdraws and closes a base in the maritimes or on the west coast; has there been any specific proposal made by either minister?

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, as my colleague has already announced, we work in close consultation in respect of any program, any project or any base closure or adjustment. We are not in a position now to decide, or we have not come to any conclusion or any decision regarding any project that will follow any base closure, if a base is closed.

[Mr. Forrestall.]

[*Translation*]

NATIONAL DEFENCE

PARTICIPATION OF ARMED FORCES IN SECURITY FOR OLYMPIC GAMES—INQUIRY AS TO COST

Mr. Louis Duclos (Montmorency): Mr. Speaker, I wish to ask a question of the Minister of National Defence.

Could the minister confirm to the House that his department will pay all the costs resulting from the presence of the Canadian Armed Forces in Montreal during the Olympic Games, including the out-of-pocket costs estimated at $24 million and whose financing, according to a statement he made in the House on January 29, had to be negotiated with the Quebec government or else with COJO?

[*English*]

Hon. James Richardson (Minister of National Defence): No, Mr. Speaker. Our estimate is that National Defence will contribute approximately $30 million. That is our best estimate now of the cost of supporting the Olympic Games.

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IMMIGRATION

REQUEST FOR EARLY GRANTING OF LANDED IMMIGRANT STATUS FOR STEPHEN BADGER

Mr. Jake Epp (Provencher): Mr. Speaker, I should like to direct my question to the Minister of Manpower and Immigration. In view of the fact the International Olympic Committee has now given permission to allow Stephen Badger to swim for Canada in the 1976 Olympics—

Some hon. Members: Hear, hear!

Mr. Epp: In light of this development, I should like to ask the minister whether he will give an undertaking that the officials of his department will expedite a new application for landed immigrant status by Stephen Badger, particularly in view of the fact he has now received permanent job offers from various swimming organizations, thereby eliminating the possibility of any incident which might arise if he won a medal for Canada, with the flag being raised and the national anthem being sung, yet he being a person the immigration department does not want to have enter Canada as a landed immigrant?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, the hon. member is fully aware that these are quite separate issues. The Olympic Committee has its own rules and regulations. If it has now found a way of making what it calls a commonwealth switch, that has nothing whatever to do with landed immigrant status as far as we are concerned. If that is the solution the committee has found, that is fine, but it is none of my business or the business of the department or the government. In so far as the application by Mr. Badger for landed immigrant status is concerned, if he fulfils and meets the regulations and immigration criteria, which the hon. member is suggesting is now the case by virtue of a bona fide job offer that a Canadian is not available for, then of course we will review it.

TRANSPORT

REQUEST FOR RESTORATION OF RAILWAY SERVICE IN SOUTHWESTERN ONTARIO—GOVERNMENT POSITION

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, in light of the fact it is four years now, I guess, since the Standing Committee on Transport and Communications unanimously recommended that railway service be restored in those areas where it was discontinued in southwestern Ontario, and in view of the fact that in the space of that time the only action taken by the government has been a succession of promises, recommendations and broken promises, will the Minister of Transport indicate when he will be in a position to announce action on the part of the federal government that will result in a rationalization and improvement of public transportation services in that area?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the whole area of passenger service from Montreal through to Vancouver is now under active examination by the Canadian Transport Commission. As a result of that consideration I expect a fairly early report on the lines in service that ought to be maintained for rail passengers, and thereafter we should very quickly have a final decision about the way in which that service can be maintained and improved, so far as it is to be maintained.

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AIRPORTS

REQUEST FOR ASSURANCE NO ILLEGAL IMMIGRANTS WORKING IN SECURED AREAS

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, I have a question for the Minister of Transport following up a question I have asked in the past three weeks about security at airports. In view of the fact that the Minister of Manpower and Immigration has confirmed there were some arrests at the Toronto airport last summer of illegal immigrants working at the airport with clearance for security areas, can the minister assure this House that with the Olympics coming up he is taking steps to make sure that people working at airports who have keys to secured areas do have security clearance, and can he reassure this House also that there are no illegal immigrants working at airports with keys to secured areas?

● (1500)

Hon. Otto E. Lang (Minister of Transport): Well, Mr. Speaker, obviously any such blanket assurance is very difficult to give, but I can indicate to the hon. member that the general procedure is that those who have access to security situations are indeed processed for security clearance, whether they are government employees or people working under contract for the government. This practice is the ordinary one followed. This does not mean, of course, that every employee, particularly those under contract or working for people under contract, with the government is security cleared or checked from that point of view. That is done only if it seems that a security question may arise.

Mr. Speaker: Order, please. The Minister of State for Fisheries on a point of order.

Mr. LeBlanc (Westmorland-Kent): Mr. Speaker, I rise on a point of order. The House will recall that yesterday I had occasion to question remarks of the hon. member for St. John's East. He had characterized a recently concluded arrangement with the U.S.S.R. which will enable groundfish plants in his riding and elsewhere to keep operating longer than anticipated, and which entails no trade-off from Canadian quotas as the "biggest sell-out ever". I took exception to this. Later I reminded the House that when we temporarily closed Atlantic coast ports to Soviet fishing vessels, the hon. member for St. John's East opposed this measure. The hon. member rose on a question of privilege denying this, and in response I agreed to check the matter out and report back to the House. I am now prepared to do so.

In *Hansard* of June 9, 1975, as recorded on page 6548, the hon. member made reference to the possibility of port closure as a "veiled threat which will have little or no effect on ICNAF nations", and also referred to the fact that "some of our ports . . .would be very seriously hit if they were closed". Although he never said directly "I oppose the closure", he spoke in a negative way about the possibility. I must add, however, that later, in fact on the day I announced the closure as reported on July 23, 1975, at page 7854 of *Hansard*, the hon. member, in referring to this announcement, indicated that "we have all had to revise our thinking". This is as far as the hon. member went in indicating a change of attitude. However, given the ambiguity in the hon. member's comments on the two dates involved, and accepting that he shared my concern for the fisheries, I shall gladly give him the benefit of the doubt and apologize for stating that he opposed the decision to close the ports.

Mr. McGrath: Mr. Speaker, I accept the apology of the minister, albeit it was made somewhat less graciously than I would have expected from the minister whom I have come to respect. The fact is that in the incident referred to I had moved a motion, which was accepted unanimously by the House, supporting the minister in his initiatives at the ICNAF meeting which was based on the closing of the ports to the Soviets as a move designed to force ICNAF to agree to a reduction in ICNAF quotas and an increase in Canadian quotas. That is clear and unambiguous. Also, Mr. Speaker, the Toronto *Sun* of Thursday, July 24—

Some hon. Members: Oh, oh!

Mr. McGrath: —in a Canadian Press dispatch states:

> Tory MP James McGrath welcomed the move because it shows the government is finally taking the fishing situation seriously.

There is nothing ambiguous about that, Mr. Speaker. However, there is a great deal of ambiguity and uncertainty about what the minister is trying to do in the bilateral agreements with the Soviet Union and with Poland which, in the case of the Soviets, will have the effect of increasing their quota of capelin which they fished illegally up to a few years ago in exchange for sharing the red fish quotas.

Mr. Speaker: Order, please. The only reason I recognized both members on a point of order today is that yesterday,

when the question arose, the minister indicated that if he was mistaken or not clear in the inference he made, he would clarify it today. He has done so. I thought it was appropriate that the hon. member involved from St. John's East should be given the opportunity at least to put his comments on the record at the same time. However, it certainly is not appropriate under our proceedings to go beyond that and develop any discussion on the merits of the question at issue, only the clarification of the remarks the minister made.

Mr. McGrath: May I close the matter, Mr. Speaker, by saying that I thank the minister for his apology.

Mr. Speaker: The hon. member for Saskatoon-Biggar on a point of order.

Mr. Hnatyshyn: It is a question of privilege, Mr. Speaker.

Mr. Speaker: The hon. member for Surrey-White Rock on a question of privilege.

Mr. Friesen: Mr. Speaker, on a question of privilege, I should like to point out to the government House leader that the Secretary of State, among all the habits he has learned in the last while, has at least one bad one. He comes to the House for the first part of the question period and then chooses to leave after a few minutes and no one is in a position to question him. If the minister himself does not have a sense of responsibility for his work, I wonder if the government House leader could encourage him to develop that kind of sense of responsibility. If he needs help, he could get the government whip, and if he needs three people he could get the deputy whip for the government to help him get the minister here on time and have him stay here for the whole question period.

Mr. Sharp: Mr. Speaker, there is a very considerable problem facing ministers who have responsibilities in places other than this House. The attendance of the Secretary of State on the whole has been admirable, at least as good as that of some of the members on the other side of the House.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Hnatyshyn: Mr. Speaker, this being a Thursday, I should like to direct the usual inquiry to the government House leader and ask if he could inform us concerning the intention of the government in respect of the business during the course of the next week or so.

Mr. Sharp: Mr. Speaker, I am a little at a loss because I had hoped to have some further discussion with the House leader of the official opposition on the business. I have been having some discussions with him about the possibility of extending the hours of sitting to be devoted to the consideration of Bill C-84, and only for that purpose. There has been very great participation by members. I think it had been the hope of all members of the House that there should be an opportunity for as many members as possible to participate in the debate. Therefore, in order to be able to complete our work by June 30, it seemed to us that the House should agree to sit some extra hours during the week.

I made some proposals which have been accepted by some parties but not yet by the official opposition. I hope that party will accept the proposals I have put forward. I have put them forward in a completely non-partisan way. They are perfectly reasonable proposals. We are discussing a bill which is not a government bill in the sense that there is any confidence attached to it. It is a bill in respect of which many members of the House wish to say something. There have been 65 members who have spoken already. I understand there are many more from the official opposition. I should like to see them have an opportunity, and I should like to see all of us get out of this House on June 30 with our business completed.

Another problem that has arisen is that I have had some preliminary discussion with the House leader of the official opposition about the possibility of dealing very quickly tomorrow with two bills from the Senate. I leave that open as a possibility. Other than that, we will continue with Bill C-84 on government days. There of course will be an opposition day on June 1, and the budget debate will be resumed on Wednesday. That will fill the rest of the week.

● (1510)

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, in view of the reference made to the point by the President of the Privy Council, I should like to confirm that we would be willing to agree to some extra hours during the next week or so to be given completely to Bill C-84. We hope that members of all parties in the House will agree to this so that we can plan a recess beginning by the end of June.

[*Translation*]

Mr. Beaudoin: Mr. Speaker, about the comments of the President of the Privy Council (Mr. Sharp), we were to have a meeting at five o'clock and I would like to know whether the President of the Privy Council still wants us to meet at five o'clock or does he want to cancel it?

[*English*]

Mr. Hnatyshyn: Mr. Speaker, I rise on the same point of order. I want to say to the House leader that so far as our party is concerned, the matter is still under consideration. I hope he has not left the impression in the House that we are not giving serious consideration to any proposal he puts forward, but possibly, unlike the government side, we always refer these matters to our caucus.

Some hon. Members: Hear, hear!

Mr. Paproski: We are a little more democratic on this side.

Mr. Sharp: Mr. Speaker, I should like to say to the House leader of the Social Credit party, through you, sir, that it is my intention to continue with the meeting. I do not know whether the House leader of the official opposition will be here for the meeting, but I welcome his alternate. I just want to say to the Acting House leader of the official opposition that I put forward proposals for the extension of hours some ten days ago. There have since been two

caucus meetings. We have discussed it at ours, and I hope it has been discussed in the others.

* * *

HOUSE OF COMMONS

FLOWERS PRESENTED BY COMMITTEE OF ONE MILLION

Mrs. Ursula Appolloni (York South): Mr. Speaker, I should like to draw the attention of the House to the fact that due to an unfortunate delay in delivery, few hon. members have been able to wear the yellow flower provided today by the Committee of One Million to mark the first anniversary of the presentation to parliament of their great petition to protect the lives of unborn children.

Some hon. Members: Hear, hear!

Mrs. Appolloni: I would not want these people, many of whom have come to Ottawa again today, to misunderstand the support they have in the House. I want to assure them that had it not been for this delay, many members from both sides of the House would have been proud to wear this flower as their gesture in recognition of their deep respect for human life.

Some hon. Members: Hear, hear!

Mr. Whiteway: Mr. Speaker, I rise on a point of order which has to do with the question put to the Minister of State for Fisheries. In his answer he inadvertently misled the House. I realize that he has been away for several days, but I intended at all times to keep him informed through his parliamentary secretary. In his answer he suggested that the price of fish offered to fishermen by the corporation FFMC has been at all times equal, except for sometimes when prices offered on the open market have been outside the corporation's jurisdiction. In fact, that is not the case.

Mr. Speaker: Order, please. Surely the hon. member raises a question of interpretation, disagreement, debate or discussion about the minister's answer and indeed about the whole subject under discussion. Unless there is some indication that there is a question of privilege because of a deliberate misleading of the House, this is not a point of order.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

MISCELLANEOUS ESTIMATES

Twelfth report of Standing Committee on Miscellaneous Estimates—Mr. Flynn.

[*Translation*]

FISHERIES AND FORESTRY

Seventh report of Standing Committee on Fisheries and Forestry, in the two official languages—Mr. Béchard.

[*English*]

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Sixth report of Standing Committee on Indian Affairs and Northern Development—Mr. Marchand (Kamloops-Cariboo).

REGIONAL DEVELOPMENT

Seventh report of Standing Committee on Regional Development—Mr. Lumley.

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

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EDUCATION

TABLING OF LETTERS TO PROVINCIAL MINISTERS OF EDUCATION RESPECTING FINANCING OF POST-SECONDARY EDUCATION

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): Mr. Speaker, I would like to table, under Standing Order 41(2), letters from the Secretary of State addressed on May 12, 1976, to the ten provincial ministers of education respecting the financing of post-secondary education under the Fiscal Arrangements Act.

* * *

NUMISMATIC HOBBY PROTECTION ACT

MEASURE TO PROTECT AGAINST CURRENCY COUNTERFEITS

Mr. John Reynolds (Burnaby-Richmond-Delta) moved for leave to introduce Bill C-439, to amend the Criminal Code (counterfeit of numismatic items).

He said: Mr. Speaker, counterfeits of old and valuable coins are appearing in larger and larger numbers on the numismatic market and defrauding collectors of large sums of money. This bill would extend the protection of the currency counterfeit laws to items of numismatic value by requiring that such coins or tokens be marked with the date of manufacture and the word "Copy".

Motion agreed to, bill read the first time and ordered to be printed.

Order Paper Question

ANTI-INFLATION BOARD

DIRECTION TO BOARD TO ADVISE WHETHER THE FOUR PILOTAGE AUTHORITIES IN CANADA SUBJECT TO GUIDELINES OF ANTI-INFLATION ACT

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would like to advise the House that His Excellency the Governor General in council has today, pursuant to subsection 12(2) of the Anti-Inflation Act, directed the Anti-Inflation Board to conduct an inquiry and advise as to whether it is appropriate to make the Anti-Inflation Act and guidelines applicable to the four pilotage authorities in Canada and private sector suppliers of pilotage services and I give notice of intent, pursuant to subsection 3(3.2) of the act, that should an order in council be subsequently made pursuant to subparagraph 3(2)(a)(v), it will be applicable as of today.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 3,812, 4,605, 5,244, 5,291, 5,337, 5,344, 5,348, 5,357, 5,433, 5,434 and 5,450.

[*Text*]

DEPARTMENT OF ENVIRONMENT, FISHERIES AND MARINE SERVICES BRANCH—RETIRED EMPLOYEES

Question No. 3,812—**Mr. Crouse:**

1. How many employees have retired from the Department of the Environment, Fisheries and Marine Services Branch in the past two years?

2. (a) What are their names (b) were they eligible for superannuation (c) what was the length of their employment?

Hon. Jean Marchand (Minister of the Environment): 1. During the calendar years 1974 and 1975, a total of 652 employees ceased employment with the Fisheries and Marine Service of the Department of the Environment. Of that total, 133 employees were eligible for either an immediate annuity or an annual allowance.

2. (a) See following. (b) Yes. (c) See following.

1975

Employee Name	Years of Service
MacDonald, H. C.	35
Clarke, F. N.	15
Bennett, F.	22
Hammond, R.	12
Warr, A. S.	20
Bragg, W.	7
White, T. P.	24
Hillier, B. R.	7
Brown, B. J.	8
Girardin, E. F.	22
Kieley, M. J.	30
Strickland, W.	23
Hicks, H.	8
Zink, E. C.	28
Hawkins, R. F.	25
Mullin, T. I.	25
Webber, G. T.	35
Peverill, R. G.	25
MacDuff, J. A.	28
MacKay, E. M.	21
Laventure, H. A.	25
Jordan, E. E.	9
Wood, H. C.	25
Arsenault, L. N.	28
Duffy, J. A.	30
Meagher, J. M.	28
Forgeron, H. G.	9
McLeod, R. M. R.	19
Montague, H. B.	19
Murphy, M. F.	32
Gilks, J. A.	13
Rushton, H. K.	18
Linton, R. F.	21
Daigle, A. J.	12
Crowell, A. C.	24
Rogers, J. E.	25
Hughson, B. A.	22
Lloyd, R. S.	25
Leblanc, G. W.	25
Guilderson, W.	14
Conrad, L. E. M.	17
Theriault, M. J.	25
Fontaine, A.	14
Biggar, J. E.	9
Gallichon, E.	16
Kay, M. A.	17
Delancey, A. L.	25
Fleming, R. W.	18
Semchuck, J. W.	25
McIndoe, G. T.	9
Armstrong, E. W.	9
Verbenkov, B. M.	7
McLellan, R. D.	25
Service, A. G.	27
Gustason, F. E.	11
Watts, R. W. J.	17
Ellis, J. H.	28
Thacker, L. J.	20
Henderson, B. L.	6
Ballantyne, J.	16
Davis, W. H.	5
Henry, W. B.	24
Antosik, S. A.	20
Whetter, E.	6
Cross, C. M.	35
Jones, T. L.	17
Clouston, G. W.	19
McLean, A. G.	11
Robinson, B. W.	8
Kenney, T. C.	5
Gilmour, J. G.	17
Boutilier, J. F.	12
Lavoie, J. L.	27
Kenney, A. D.	24

1975

Employee Name	Years of Service
Higgins, N. S.	10
Boudreau, J. F.	10
Richard, A. W.	10

1974

Employee Name	Years of Service
Hiscock, A.	26
Duggan, W. J. N.	27
Furey, G.	39
Howell, S. C.	6
Howell, F. M.	20
Slade, G. R.	8
MacDonald, R. E. H.	34
Weeler, E. C.	7
Boucher, J. I.	10
Kent, G. C.	23
Black, T. C.	25
Hirtle, D. M.	16
Winters, F. A.	10
Ward, A. J.	10
Crosse, H. S.	9
Allison, B. D.	24
Clattenburg, H. M.	15
Sinclair, P.	28
King, E. L.	19
Houghton, M. P.	27
Morgan, G. R.	29
Baker, J. B.	12
Robertson, E. S.	27
Rigg, J.	23
Magee, K. G.	7
Moore, G. E.	14
Gordon, M. E.	22
Hammond, H. M.	34
Thomas, R.	9
Johnston, F. G.	7
Davis, R. T.	9
Russel, M.	7
Holland, J. D. C.	27
Kitson, E. J.	20
Covey, W. J.	35
Mack, A. L.	35
Veitch, N. S.	45
Swain, R. F.	15
Elliott, E. I.	9
Baker, A. K.	13
Watson, H. H.	22
Wigmore, R. H.	9
Weisbord, M. E.	14
Huestis, C. E.	7
Mcintosh, C. G.	21
Gaskin, A. J.	15
Bath, J. F.	21
McIntyre, C. M.	7
Gantzer, K. A.	9
King, L. C.	28
Leadman, C. M.	25
Brick, P. M.	11
Allan, C. S.	12
Gorman, H. L.	20
Lord, S. W.	29
Richard, C. W.	11

95568—45

Order Paper Question

OLYMPICS '76 IN INNSBRUCK

Question No. 4,605—**Mr. Jones:**

1. Were athletes sponsored by Canada to participate in Olympics '76 held in Innsbruck?

2. Was financial assistance provided to the athletes by (a) the government (b) the provincial governments (c) any other source?

3. How many (a) trainers (b) referees (c) support staff accompanied the athletes and, in each case (i) who paid their salaries (ii) who paid their expenses (iii) were any sent at CBC expense?

4. Do figures exist for a country with a population comparable to Canada and, if so, what are they?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by the Department of National Health and Welfare and the Canadian Broadcasting Corporation as follows: 1. The Canadian Olympic Association is responsible for Canada's Participation in all Olympic Games. The Fitness and Amateur Sport Branch of National Health and Welfare makes contributions to the C.O.A., in the same manner as to National Sport Governing Bodies, for certain projects undertaken. A contribution of $50,000 was made by the Branch toward the (1) transportation of athletes, officials and equipment, (2) meals and accommodation, and (3) minor administrative costs in relation to the 1976 Olympic Winter Games in Innsbruck.

2. (a) The Fitness and Amateur Sport Branch makes grants-in-aid to eligible carded athletes in both Olympic and non-Olympic sports who are enrolled in an educational programme. (University level—$1,800; community college—$1,200; High School—$600). In addition, it provides an annual allowance of $600 to student—athletes who are married or living away from home. The following list indicates those members of Canada's Winter Olympic Team which received grants-in-aid and supplements during 1975-76. It is anticipated that several of the other athletes will enroll in summer school programmes and will be eligible for this assistance at that time. The remainder are not enrolled in educational programs. (b) and (c) The Department of Health and Welfare Canada can not respond on behalf of provincial governments or other sources.

3. The Department of Health and Welfare Canada contribution to the Canadian Olympic Association was intended to assist with the transportation, food and lodging costs related to thirteen individuals other than athletes. Canadian Broadcasting Corporation: No.

4. The Department of Health and Welfare Canada is not in possession of financial data for other countries.

Canada's Winter Games Team Totals

Name	G.I.A.	Supp.	Total
Alpine Skiing			
Cloutier, Karen	600	—	600
Podborski, Steve	600	—	600
Figure Skating			
Jones, Candy	900	—	900
Bohonek, Stan	1800	—	1800
Nightingale, Lynn	300	—	300
Alleston, Kin	600	—	600
Ski—Jumping			
Graves, Richard	900	—	900
Speed Skating			
Appleby, Liz	600	—	600
Gordon, Gayle	900	—	900

Order Paper Question

	Speed Skating		
Vogt, Kathy	600	—	600
Boucher, Gaetan	600	—	600
Priestner, Cathy	600	—	600
	Nordic Combined		
Sjolund, Kurt	1800	600	2400
Total	10800	600	11400

INCOME TAX ARREARS—CORPORATIONS AND INDIVIDUALS

Question No. 5,244—**Mr. Saltsman:**

1. How many companies as of March 31, 1975, were in arrears of corporate taxes for (a) 1975 (b) 1974 (c) 1973 (d) prior to 1973 owed (i) less than $5,000 (ii) between $5,000 and $10,000 (iii) between $10,001 and $20,000 (iv) over $20,000?

2. In each case (a) how many owed taxes for more than one tax year (b) what types of business were they engaged in (c) what penalties are applicable?

3. For each month since March 1975, how much of the arrears for (a) 1975 (b) 1974 (c) 1973 (d) prior to 1973 have been repaid and, in each case (i) how many companies do the figures represent (ii) what penalties were assessed?

4. How many persons as of March 31, 1975, were in arrears of income tax for (a) 1975 (b) 1974 (c) 1973 (d) prior to 1973 owed (i) less than $100 (ii) between $100 and $500 (iii) between $501 and $1,000 (iv) between $1,001 and $2,000 (v) over $2,000?

5. In each case (a) how many owed taxes for more than one tax year (b) what penalties are applicable?

6. For each month since March 1975, how much of the arrears for (a) 1975 (b) 1974 (c) 1973 (d) prior to 1973 have been repaid and, in each case (i) how many persons do the figures represent (ii) what penalties were assessed?

7. As of the last day of each month since March 31, 1975, what was the total outstanding in Treasury bills and what was the average rate of interest owing on such bills?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by the Departments of National Revenue and Finance as follows: 1. (a) 12,881 Corporations were in arrears of taxes in respect of assessments issued in 1975 as of March 31, 1975. (b) 9,269 Corporations were in arrears of taxes in respect of assessments issued in 1974 as of March 31, 1975. (c) 2,470 Corporations were in arrears of taxes in respect of assessments issued in 1973 and prior years as of March 31, 1975. Total 24,620. (d) A further breakdown is not available as to the number of corporations in arrears of taxes in respect of assessments issued in 1973 and those in respect of assessments issued in years prior to 1973. (i) 20,837 Corporations in arrears of taxes as of March 31, 1975, owed amounts of less than $5,000. (ii) 1,900 Corporations in arrears of taxes as of March 31, 1975, owed amounts between $5,000 and $10,000. (iii) 1,833 Corporations in arrears of taxes as of March 31, 1975, owed amounts in excess of $10,000. Total 24,620. (iv) Information is not available as to the number of corporations owing amounts between $10,000 and $20,000 and the number owing amounts in excess of $20,000.

2, 3, 5 and 6. Departmental records are not maintained in such a manner as to enable Revenue Canada to provide the information requested.

4. (a) 139,776 individuals were in arrears of taxes in respect of assessments issued in 1975 as of March 31, 1975. (b) 245,426 individuals were in arrears of taxes in respect of assessments issued in 1974 as of March 31, 1975. (c) 116,622 individuals were in arrears of taxes in respect of assessments issued in 1973 and prior years as of March 31, 1975. Total 501,824. (d) A further breakdown is not available as to the number of individuals in arrears of taxes in respect of assessments issued in 1973 and those in respect of assessments issued in years prior to 1973. (i) 263,108 individuals in arrears of taxes as of March 31, 1975, owed amounts between $100. (ii) 155,987 individuals in arrears of taxes as of March 31, 1975, owed amounts between $100 and $500. (iii) 34,289 individuals in arrears of taxes as of March 31, 1975, owed amounts between $500 and $1,000. (iv) 22,258 individuals in arrears of taxes as of March 31, 1975, owed amounts between $1,000 and $2,000. (v) 26,182 individuals in arrears of taxes as of March 31, 1975, owed amounts in excess of $2,000. Total 501,824.

7. Please see Bank of Canada Monthly Review, Section 20 and Section 23.

UNUSED ADVANCES FOR TRAVEL—L. D. HUDON

Question No. 5,291—**Mr. Cossitt:**

1. Was any money owing to the Treasury for unused advances for travel on the part of Mr. L.D. Hudon, Deputy Minister of Agriculture, as of December 31, 1975 and, if so (a) what was the total amount (b) what various amounts made up this total and, in each case, how long had they been outstanding (c) on what date was all the money owing finally paid back (d) what are the reasons the situation was permitted to exist (e) what steps were taken to clear the matter up and who took such steps (f) what was the maximum amount owing at any one time and what was the date this maximum existed?

2. Is ten days the normal time permitted for repayment to the government of unused travel advances in cases of this kind and, if not, what is the time?

3. What is a complete history of Mr. Hudon's employment in the Public Service including positions held, dates and salaries in each case?

Hon. E. F. Whelan (Minister of Agriculture): 1. Yes. (a) $851.37; (b) $470.95 from October 4, 1975 $380.42 from November 30, 1975; (c) February 19th, 1976; (d) Settlement was held up pending receipt of travel claims; (e) The outstanding advances were refunded on February 19, 1976; (f) $851.37 as at November 30, 1975.

2. No, 15 days.

3. See following.

Department	Position	Classification	Salary Range	Effective Dates
Dept. of Finance	Administrative Branch	Administrative Assistant	2,400	May 23, 1947 to September 13, 1947
"	Economic Policy Division	Finance Officer Gr. 1	2,700—3,600	July 2, 1948 to September 30, 1948
"	"	"	2,880—3,780	October 1, 1948 to November 30, 1950
"	"	"	3,312—4,044	December 1, 1950 to November 30, 1951
"	"	"	3,580—4,180	December 1, 1951 to May 31, 1953
"	Financial Secretary to the Canadian Permanent Delegation to NATO	"	"	June 1, 1953 to November 30, 1953
"	"	"	3,780—4,500	December 1, 1953 to December 31, 1953
"	"	Finance Officer Gr. 2	4,560—5,280	January 1, 1954 to October 1954
"	International	"	"	November 1954 to March 31, 1956

			Order Paper Question	
	Programmes Division			
"	"	"	4,920—5,640	April 1, 1956 to June 30, 1956
"	"	Finance Officer Gr. 3	5,820—6,540	July 1, 1956 to April 30, 1957
"	"	"	6,360—7,320	May 1, 1957 to June 30, 1957
"	"	Finance Officer Gr. 4	7,500—8,580	July 1, 1957 to March 31, 1959
"	"	Finance Officer Gr. 5	8,340—9,420	April 1, 1959 to May 31, 1960
"	"	"	9,940—11,200	June 1, 1960 to March 31, 1961
"	"	Finance Officer Gr. 6	12,500—13,500	April 1, 1961 to June 30, 1961
"	Alternate Executive Director and Financial Counsellor of the International Monetary Fund and the International Bank for Reconstruction and Development	Finance Officer Gr. 6	13,300—14,200	July 1, 1961 to June 30, 1963
"	"	"	14,100—15,100	July 1, 1963 to July 31, 1964
"	Director, Division of International Programmes	Senior Officer 1	14,500—18,000	August 1, 1964 to April 30, 1965
"	Elected Executive Director of the World Bank	"	"	May 1, 1965 to June 30, 1965
"	"	"	16,500—20,000	July 1, 1965 to September 30, 1965
"	"	Senior Officer 2	18,500—22,000	October 1, 1965 to June 30, 1966
"	"	"	18,500—22,750	July 1, 1966 to November 6, 1966
Dept. of Finance on loan to External Aid	Assistant Director General, External Aid Office	"	"	November 7, 1966 to December 31, 1966
"	"	"	18,500—23,500	January 1, 1967 to June 30, 1967
"	"	"	19,000—24,000	July 1, 1967 to September 30, 1967
External Aid	Deputy Director General, Planning and Economic Branch	Senior Officer 3	21,000—26,250	October 1, 1967 to December 31, 1967
Canadian International Development Agency	"	SX 3	21,000—27,250	January 1, 1968 to August 31, 1968
"	Vice President, Planning and Economics	SX 3	"	September, 1 1968 to December 31, 1968
"	"	SX 3	23,000—29,000	January 1, 1969 to December 31, 1969
"	"	SX 3	24,000—30,000	January 1, 1970 to November 30, 1970
Privy Council Office	Assistant Secretary to the Cabinet, Economic Policy	SX 3	"	December 1, 1970 to December 31, 1970
"	"	SX 3	26,000—32,500	January 1, 1971 to November 30, 1971
"	Deputy Secretary to the Cabinet, Operations Division	SX 3	"	December 1, 1971 to December 30, 1971
"	"	SX 3	28,000—35,000	January 1, 1972 to June 30, 1972
"	"	SX 4	34,000—40,000	July 1, 1972 to December 31, 1972
"	"	SX 4	35,750—43,750	January 1, 1973 to March 31, 1974
"	"	SX 4	39,000—48,000	April 1, 1974 to March 31, 1975
Agriculture Canada	Deputy Minister	DM 2	44,000—54,000	April 1, 1975

DEVELOPMENT OF A DEEP WATER PORT AT GROS CACOUNA

Question No. 5,337—**Mr. Forrestall:**

What are the terms of reference for the feasibility study presently being conducted by the Department of Transport and the Government of the Province of Quebec respecting the further development of a deep water port at Gros Cacouna?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The terms of reference of the federal provincial study on Gros Cacouna are as summarized below: 1. To analyze the potential dry bulk traffic to be transshipped at Gros Cacouna based on market trends.

2. To assess the impact of the development of a dry bulk port at Gros Cacouna on other St. Lawrence and East Canadian ports.

3. To evaluate the costs involved in developing Gros Cacouna (including auxiliary costs such as rail infrastructure).

Order Paper Question

AIR TRAFFIC CONTROLLERS

Question No. 5,344—**Mr. Reynolds:**

1. Have any air traffic controllers been transferred out of Montreal in the past two years and, if so (a) how many (b) to what locations were they transferred (c) for what reason?

2. What was the displacement allowance for each individual?

3. How many were (a) English speaking (b) French speaking (c) bilingual?

4. Did the government pay a housing differential move on any of the transfers?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): 1. (a) 10; (b) Ottawa 3; Toronto 2; Thunder Bay 1; Winnipeg 2; Vancouver 2; (c) 7 lateral transfers at the request of the employee 3 transfers relating to promotions.

2. None of the employees have received a displacement allowance but all have received removal expenses as provided for by the Treasury Board Relocation Directive. The five controllers transferred since December 13th, 1975, may be eligible for special relocation provisions now under consideration by Transport Canada and Treasury Board.

3. (a) mother tongue English 8; (b) mother tongue French 2; (c) bilingual 4.

4. No although the five controllers transferred since December 13th, 1975 may be eligible for special relocation provisions now under consideration by Transport Canada and Treasury Board.

MONTHLY MAGAZINE "LIAISON"

Question No. 5,348—**Mr. Dick:**

1. How many copies of the Department of the Solicitor General's monthly magazine *Liaison*, Volume 2, No. 2, March 1976 were printed?

2. What was the (a) cost of printing (b) price of each copy?

3. How many copies were sold?

4. Are copies distributed free of charge and, if so, to whom?

5. Does the government intend to publish the next issue containing views contrary to the government's own political views relating to Peace and Security as set out in Bills C-83 and C-84?

Hon. Warren Allmand (Solicitor General): 1. 9,300.

2. (a) $2,852.42; (b) 30.

3. Nil.

4. Yes. "Liaison" is distributed free of charge to interested parties, working mainly in the area of criminal justice in Canada, and outside Canada. The mailing list is approximately 9,000.

5. No.

RCMP PROTECTION—EASTERN SHORE OF NOVA SCOTIA

Question No. 5,357—**Mr. Forrestall:**

Has any action been taken to upgrade RCMP protection along the eastern shore of Nova Scotia from Sheet Harbour to Halifax-Dartmouth in the last twelve months and, if so, what was such action?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Royal Canadian Mounted Police datachments have increased their patrols along the eastern shore of Nova Scotia.

MONTREAL PORT AUTHORITY AND HALIFAX PORT AUTHORITY

Question No. 5,433—**Mr. Forrestall:**

1. Has the executive committee of the Montreal Port Authority been established and, if so, on what date?

2. Is it the government's intention to establish an executive committee for the Halifax Port Authority and (a) if so, on what date (b) if not, what factors prevent its immediate establishment in Halifax, if any?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The National Harbours Board advises as follows: 1. Yes, on January 29, 1975.

2. Yes. (a) Date not yet determined. (b) Completion of appropriate documents clearly indentifying limits of responsibilities and authority which are acceptable to ports concerned and within the powers of the National Harbours Board Act.

PORT OF MONTREAL—TOTAL REVENUE FROM TASK TERMINALS AND MANCHESTER LINERS

Question No. 5,434—**M. Forrestall:**

In 1975, what was the total revenue from leases paid to the National Harbours Board from the terminals operated in the Port of Montreal by Task Terminals Limited and Furness Withy Limited (Manchester Liners)?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The National Harbours Board advises as follows: The total revenue in 1975 from the lease to Task Terminals was $675,353. The total revenue in 1975 from the lease to Manchester Liners was $560,560.

FARM CREDIT CORPORATION LOANS

Question No. 5,450—**Mr. Elzinga:**

1. How much was loaned to farmers by the Farm Credit Corporation in 1972, 1973, 1974 and 1975?

2. How much was disbursed in each province?

3. What are the names of the individuals who received loans in 1972, 1973, 1974 and 1975?

Hon. E. F. Whelan (Minister of Agriculture): The Farm Credit Corporation advises: 1. Loan Approvals ($000), 1972-73—186,276; 1973-74—400,658, 1974-75—398,814; 1975-76—640,947.

2. Loan Disbursement ($000)

Province	1972-73	1973-74	1974-75	1975-76
British Columbia	8,537	15,463	16,670	14,081
Alberta	26,462	59,324	80,497	84,585
Saskatchewan	48,344	99,970	88,240	98,275
Manitoba	12,071	25,744	28,085	31,188
Ontario	38,337	92,411	122,785	141,589
Quebec	18,558	34,198	82,462	91,148
New Brunswick	1,706	2,122	2,977	4,819
Nova Scotia	772	1,266	644	894
Prince Edward Island	966	2,177	3,022	3,413
Newfoundland	263	538	882	2,005

3. The Corporation considers that individual farmers have the right to negotiate loans from it in confidence and that to indicate if specific farmers have obtained loans from the Corporation would breach that confidence.

[*Translation*]

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask that the remaining questions be allowed to stand.

* * *

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask that the question No. 4,600 be made an order for return, and also ask the consent of the House to table immediately the information which has already been submitted. Such additional information will be tabled at the time it is made available to me.

[*Text*]

DEPARTMENTAL INFORMATION SERVICES

Question No. 4,600—**Mr. Yewchuk:**

1. What was the cost of information services for each department in (a) 1975 (b) 1974?

2. What was the cost of (a) news releases (b) Ministerial speeches (c) Prime Minister's speeches (d) Members' speeches circulated to Canadian weekly newspapers?

Return tabled.

[*English*]

Mr. Blais: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed consideration of the motion of Mr. Macdonald (Rosedale):

That this House approves in general the budgetary policy of the government.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, there are no fresh ideas in this budget. There is no new perspective, long range or otherwise, that would give Canadians renewed hope in our future, that would give them hope that our jobless will find employment, hope that our real

growth will regain what we lost in those sad years of 1974 and 1975, hope that we will regain our position in per capita national wealth among the nations of the world, hope that our $5 billion trade deficit will be lessened or eliminated. Confidence has been lost in Canada. The Minister of Finance (Mr. Macdonald) did not help restore it in his presentation on Tuesday night. As one commentor has said, the message seemed to be: Economy, heal thyself.

Judging from responses to questions yesterday, the minister appears to seek his answers in the United States. He hopes their upturn will spill over into Canada without himself having to lift even a finger. The American motto is, as we know, "In God we trust". This administration's motto seems to be, "In the United States we trust". Meanwhile, this administration continues its spending spree. On Tuesday evening I pointed out that they has caused federal spending to quadruple since they took power in April of 1968. Expressed another way, in the nine years since gaining control of Canada, they will have spent twice as much as all previous administrations combined, that is, over the previous 100 years of confederation. On Tuesday we referred to the staggering deficits of this administration which will now total, in the aggregate, by the end of this year, $11 billion—an amount four times the size of all the deficits incurred, in aggregate, by the Pearson administration, the Diefenbaker administration and the St. Laurent administration.

● (1520)

Coupled with this high spending we must note that it is the average taxpayer in Canada who increasingly has been paying the shot. This year alone, aggregate personal income taxes will jump 26 per cent over last year. In 1968, the year this man Trudeau took power—

Some hon. Members: Order.

Mr. Stevens: —personal income taxes represented 34 per cent of the total revenue received by Ottawa, while corporate taxation represented 15 per cent. Today, personal income taxes supply an amazing 53 per cent of Ottawa's take, while the corporate sector still accounts for that 15 per cent. In short, it is not the so-called fat-cat, it is not the wealthy, it is not that vague corporate entity which pays—in the main, it is the average, hard working Canadian who increasingly pays for the spending programs of this administration. In fact, taxation has gone so wild in this country that we now find the government is reverting to shell games in order to raise revenues still further.

Consider the approach of the administration to lotteries which it has aided and abetted with a view to increasing revenue and their take from Canadian citizens. Lotteries went out of fashion in the seventeenth century, and yet here we have a government in this century cultivating and developing that concept of raising money from the public.

An hon. Member: Like Wintario.

Mr. Stevens: Let us consider what this administration did with regard to the $100 Canadian gold coin. Yes, the administration is proposing to issue a $100 gold coin for $105, containing $32-worth of gold. That is what I mean by the shell game this government has become party to in order to continue raising money.

Let there be no mistake about it, in my remarks today I would like to indicate where at least $1 billion can be cut from federal government spending plans and where $500 million of that amount can be given back to the Canadian public, where it belongs, and something in excess of $500 million can be used to lower the $4.5 billion cash deficit proposed to be incurred by this administration in the current year. But let me first deal with the administration's wage and price controls. It now appears that this program was introduced at the wrong time, in the wrong way, for the wrong purpose and for the wrong length of time.

Mr. Broadbent: And with your support.

Mr. Stevens: The controls program would have made sense 18 months earlier, but not during the current period when inflation is on the decline around the world, when we hover on the brink of recession, with 750,000 people out of work and when we have a need for more productivity in this country. Any controls program should commence with an absolute freeze for, say, 90 days, with a tempering of controls to suit the circumstances for another 15 to 18 months at the outside.

Hon. members will recall that this administration started with a consensus dialogue. That dialogue alarmed everyone. Then the government went into gentle controls, which were understood by few; and now, partly as reflected in the budget of last Tuesday, the government seems to be moving into extensive controls which will be policed by an ever-growing bureaucracy. Throughout the piece there has been a lack of meaningful dialogue with labour, with business, with the provinces and with the consumer in Canada.

When we clear away the sophistry surrounding this administration, it is more and more apparent that its interest in controls is threefold. First, this government believes it is popular, politically, to appear to be doing something to counter inflation. Second, controls give the government an opportunity to continue its spending habits in the mistaken belief that the wage and price control program will keep the lid on inflation which will ensue from its big spending and high deficits. Cut the minister's figures whatever way you like; the truth is that this government has allowed spending to increase by over 26 per cent per year for the last four years. With such a ravenous appetite for spending, no controls program will ever work.

Third, the Prime Minister (Mr. Trudeau) believes there should be greater intervention by government in our economy on a permanent basis. The recently announced northern land regulations perhaps highlight this type of thinking. The administration's refusal to outline options which will be open to Canadians in the post-control period confirms the belief that our control period is here for a long time, and chairman Pepin of the Anti-Inflation Board certainly leaves no doubt that he sees controls for an indefinite period in Canada. To suggest that the program should continue until December 31, 1978, or even longer, is alarming and particularly unfortunate. This administration should give a firm commitment today that these controls will not continue beyond another year. Twice the Liberal caucus, dominated by this government, defeated our amending motions to terminate controls legislation by next April or May.

Mr. Broadbent: Why wait for a year, if it is wrong now?

Mr. Stevens: The members of the Liberal caucus are forgetting that the main reason Canadians have supported controls to date is that they believe they are temporary, and that is one reason we voted against this measure twice in this House, on the basis of it running longer than for an 18-month period.

History demonstrates the administration is wrong in its approach. Robert Schuettinger, lecturer in economics at Yale University, in an interesting survey of wage and price controls for 50 centuries, states, "For the past 46 centuries at least, governments all over the world have periodically tried to fix wages and prices. When their efforts failed, as they usually did, governments then put the blame on the wickedness of their subjects."

Already this administration cites the businessman, the labouring man, or the individual as the villain in our inflationary condition. It chooses to ignore that our inflation is due primarily to excess federal spending and, until recently, undue growth in our money supply.

Surely we can learn from history. Great Britain, over the past 30 years, followed a path surprisingly similar to this administration's economic approach. Now, as we see that country crushed economically and humiliated in the eyes of the world, can we not accept that serious mistakes were made? Why repeat the mistakes? The British approach to wage and price controls developed from attitudes that arose during the Second World War. In an article on wage and price controls entitled "The Lessons from Britain", Michael Parkin from the University of Western Ontario concludes, "The existence of controls has certainly contributed to Britain's last 25 years of slide into economic and social chaos." The message is clear. Let's heed it.

● (1530)

In the March-April edition of the Canadian Tax Journal, Professor J. B. Jump and Professor T. A. Wilson of the University of Toronto reviewed Canada's fiscal policy and ended with a damning indictment of the administration controls program. In their article they state:

> With negative effects on investment spending and spending for research and development, the controls program will hamper productivity growth thereby reducing Canada's potential rate of growth and contributing to higher unit labour costs in the longer run.
>
> We therefore cannot escape the conclusion that the present program should be either modified substantially or abandoned completely. To continue our present course will reduce the rate of growth of the Canadian economy in the near term by reducing real aggregate demand and in the longer term by reducing productivity growth.

What more need be said, Mr. Speaker, especially when we bear in mind that Messr. Jump and Wilson are advisers to the Department of Finance.

Now let me deal with agriculture. No other field or industry in Canada was so ignored in this budget as was the farming community. Despite the fact that it was the farmer who, through the sale of his goods, helped, lessen our trade deficit, the same farmer was virtually ignored in the minister's presentation. In our view, the farm community in Canada could, with proper federal direction and

incentives, be one of the most effective forces in increasing our export trade and thus reducing our trade deficits. Surely the Minister of Finance, who complains that world markets for our products are not available—we heard him say that here yesterday; that was the statement he kept making in this House, that world markets are not available for our products—would have to admit there is a market for food around the world. That market could be tapped more effectively, with better direction from the federal government. It is too bad the Minister of Agriculture (Mr. Whelan) does not have the clout in cabinet to sell this concept.

Our farmers could increase production if they were given the opportunity. What finer way to reduce our trade deficit than to help feed more of the world's population? Let us take wheat as an example. We are a great wheat-producing nation, but I would suggest that we could be greater. How many people realize that France produces just about as much wheat as we do in Canada, or that India produces about one-third more than we do? How many realize that our production of wheat, expressed in tonnage terms, has been relatively static for ten years, while American production has jumped a dramatic 66 per cent? Incidentally, the Americans have sold much of that increase to foreign markets—the very markets the Minister of Finance says do not exist.

An hon. Member: At a loss!

Mr. Stevens: I believe if the present administration would go to our farming community and say, "Start producing more, and we will start selling more of your goods in foreign markets," the product would be forthcoming and sales could be made. On agricultural products alone, the Americans turned from a trade deficit of approximately $5 billion to a substantial surplus within two years. They are still in surplus, while we nurse our $5 billion deficit. Mr. Speaker, I say to the minister: Let us start selling in markets that are there. In supplying those markets, let us make sure that the family farm is preserved. There is no reason why easier roll-over provisions for farms held within families cannot be facilitated, as several farm groups have requested. The family farm is an efficient unit of production and it should be encouraged to continue.

I should like now to touch briefly on the question of energy. At this point I would suggest that the energy price increases which have been announced are vital to federal finances. Without such increases, federal cash requirements would have mounted sharply and would probably have precipitated substantial changes in existing revenue and expenditure plans. I would hope that this new source of revenue would not be retained by the federal administration long after its initial purpose has been fulfilled. That initial purpose was to even out energy price costs in this country.

I think we must remember that the ten-cent tax on each gallon of gasoline which was imposed by this administration equals $3.50 per barrel for the oil itself. That is regressive, and I would point out that when the administration speaks about a $1.05 increase at the present time, with a further increase next January of 70 cents, it should be made clear that with their ten-cent levy alone they are extracting twice the per barrel amount from the Canadian public that that increase is going to entail when it is fully felt by the public.

In fact, let the administration make it clear that it is not only a ten-cent excise tax they are taking; they are also taking a 3.9-cent sales tax from the Canadian public, or a total of 13.9 cents per gallon of gasoline. Put in perspective, the dealer who pumps the gasoline into the car gets 7.9 cents, on average, while the government gets 13.9 cents on the same gallon. That is why we say it is important that in future this ravenous government should not attempt to retain that source of revenue long after the need for it has gone.

I should like now to touch on the question of capital formation to look after future productivity needs and development in this country. There is nothing in this budget that will ensure there will be sufficient capital formation in Canada to fill our investment needs in the coming decade. It has been estimated that the gap between domestic investment needs and our domestic savings forecast could be as much as 10 per cent. Over the next decade, the cumulative shortfall could be as much as $75 billion.

We have three alternatives, Mr. Speaker. We could let our capital investment lag, which would mean less real wealth for Canadians and fewer jobs, or we could import savings from abroad, with the necessity of paying interest on those foreign funds in subsequent years, which in turn would heighten our trade deficit. Last year alone, for example, we borrowed $4.7 billion in this category—encouraged, incidentally, by the June 23 budget. This year we will start paying $400 million on that debt alone, and in subsequent years like amounts will have to be covered. Our third alternative is to encourage more capital formation in the country. How many people realize that, historically, four-tenths of our capital formation is in the corporate sector in Canada, yet that is the sector this administration chooses to kick around, to overregulate and overcontrol, with the net result that it is hampered in producing the necessary capital that we need for future development.

Does the Minister of Finance believe that his new Anti-Inflation Board formula to control profits will encourage capital formation in Canada? Not only will it not encourage capital but it will lead to further inefficiencies and lack of productivity in our industries. That is exactly what we do not need if we hope to regain our competitive position in the world.

● (1540)

Let me now touch on the Unemployment Insurance Commission. The members of my party commend the Minister of Finance for moving in some of the directions we have long advocated regarding changes in the Unemployment Insurance Commission program. In particular, we think it makes very good sense to recombine Canada Manpower and the Unemployment Insurance Commission into one unit. Indeed, it is hard for many on my side of the House to imagine the kind of convoluted logic which led to their separation in the first place. The changes in eligibility requirements and length of time for benefit payments represent a small step in returning the fund to an insurance concept whereby premiums paid in might be balanced by benefits paid out. We support the principle that the

government should provide an income to those who need it in our society, but have a fundamental objection to labelling the program as an insurance program when in fact it is not an insurance program. We are intrigued by the minister's concerns about regional disparity. We share those concerns and look forward to the chance of studying what the minister has in mind.

Having said all that, I am still amazed that this administration has failed to grasp that when a few people have to work to support the many who do not work, significant strains are placed on people of our society. Anyone with vision should be able to see that it is in our long-term interest to move as quickly as possible toward higher levels of employment. Why does this administration continue to highlight unemployment insurance and say so little about stimulating the economy and providing more jobs in the private sector for more people? How can the government tolerate the vague idea that if the United States recovery continues, and we get all the lucky breaks, we shall then create 250,000 more jobs when, at the same time, last year there were 350,000 new entrants to the labour force and there are likely to be as many entrants this year? How can you gloss over the fact that the most optimistic forecasts still indicate to this House that the government is following a budgetary policy which may well add 50,000 more people to the unemployment rolls which are already at the highest level of the last 15 years? We need a change in employment policy much more than we need further tinkering with our unemployment policy. I suggest it is time this government got its priorities straight.

Let us now touch on government expenditures. In the Minister of Finance and the President of the Treasury Board (Mr. Chrétien)—I am sorry he is not present—we have two of the finest diddlers in the land. Take a look at the Post Office, for example. In the estimates now before the House we are told that the department needs $1.122 billion for the current year. That does not sound too bad when you look at the expenditures estimated in the blue book for the fiscal year 1976.

Last year the department is reported to have spent $981 million, which means it is asking for an increase of $141,312,000, or 14 per cent. But then you find this crafty pair, the Minister of Finance and the President of the Treasury Board, start to fiddle. When you look at page 11 of budget papers "B" you are surprised to find that Post Office expenditures for the fiscal year 1976 are only $901 million, or $80 million less than we were told when the blue book estimates were tabled. Based on these figures, we find the Post Office estimates in reality have gone up $221 million, or 25 per cent in one year. Surely the people of Canada are entitled to an explanation. Why have the books been apparently cooked to show an additional $80 million as being expended in the fiscal year 1976, which of course makes the current estimates look more acceptable?

It is our suggestion that as far as the Post Office is concerned, until they can show otherwise their 1976 spending of $901 million should be taken as a base, to be increased by 14 per cent, the percentage they asked for, which would give a total increase of $126 million instead of the contemplated $221 million. Removing this diddle in the accounts would effect a saving for the people of Canada of $95 million. In total, a review of the blue book estimates compared to the budget papers "B", page 11, reveals that there has been a misrepresentation of departmental expenditures in 1976 totalling $218 million. If that money was not needed in 1976, there was absolutely no reason for its being used as padding to justify a new estimate in 1977 which includes that amount plus an increase of 14 per cent or 15 per cent. The bulk of that money should be eliminated from present spending plans and returned to the people of Canada through a tax credit, or the cash deficit should be lowered. We reckon that including the Post Office's $95 million there is $225 million which could be eliminated from the 1977 spending plans of this administration, if they were prepared to be honest about their accounts. The fact is there. Let us cut it out. The average Canadian taxpayer needs that money more than do the ledgers and computers of the Treasury Board. If it is to be retained, then let us have a proper explanation as to why it is needed.

Lest you think that the $225 million misrepresentation, or error, in the accounts is but a single example, let me tell you of two other cases where the present administration appears to have altered the figures to its own advantage. The Minister of Finance notes that expenditures in the 1975-76 fiscal period are going to be somewhat higher—about 2 per cent higher. For this second piece of skullduggery let me take you back to the President of the Treasury Board's publication in February, entitled "How your tax dollar is spent." At pages 7 and 8 of that publication you will note that the President of the Treasury Board states that in the fiscal year 1976 total expenditures were $36.5 billion, and that in 1977 they would go up to $42.15 billion—as he said, a mere 16 per cent increase. The minister, on page 8, points out that this 16 per cent increase is the same increase as the previous year's. Included in the $42.15 billion are loans, investments and advances of a non-budgetary nature totalling $2.75 billion.

Then on Tuesday night in walks the Minister of Finance, with his apparently innocent statement that he and the President of the Treasury Board have been surprised to find that the fiscal year 1976 figures have actually gone over the Treasury Board's final figure—I emphasize, final figure—by $725 million, almost three-quarters of a billion dollars. This conveniently put the minister in the position of being able to say that instead of growth in 1976 being at 16 per cent and in fiscal 1977 at 16 per cent, the actual growth figure was 18 per cent in 1976 and a mere 14 per cent in fiscal 1977. What sophistry! What diddling! Remember, we had been told less than one month before that the anticipated growth rate in this country was to be 13 per cent. Now we are told that real growth is to be 14 per cent or 15 per cent. The government had diddled its percentage figures and said that growth will be at 14 per cent to keep apparent spending in line with growth in the economy.

A review of the accounts reveals how this was cooked up. Certain Crown corporations and related entities—some, incidentally, under the direct control of the Minister of Finance—took down, in the aggregate, $725 million in fiscal 1976 rather than in 1977. By having these amounts reflected before March 31, the 1976 accounts were made to look higher so that the 1977 figure would look lower, percentage-wise. Here is the rub. Despite the fact that this extra $725 million was reflected in the 1976 figures, there is no credit for it now in the 1977 figures. The 1977 figures

show no reduction at all from the $42.1 billion figure to which I referred. To be consistent, 1977 spending should have been reduced by the same amount that 1976 spending was inflated, or by $725 million. But that is not the way these twins think. They now have $725 million to play with in the 1976 figures, and another $725 million in the current year.

● (1550)

These greedy, ravenous administrators who have control of this country have chosen to clutch on to this money because they know it gives them a slush fund of almost three-quarters of a billion dollars which they can squander as they see fit without meaningful recourse to the parliament of this country or the Canadian people. However, that is only part of the story of how they are handling your finances and mine and everyone's tax dollars in Canada.

In another section of the minister's speech he mentioned that $300 million will not be included for federal non-budgetary expenses as they have asked Canadian National Railways and the Export Development Corporation to go out and raise the money directly. Remember, it was W. A. C. Bennett of British Columbia who first carried out that scheme. He cleared the British Columbia debt by having provincial Crown corporations take it over and then proclaimed the provincial government debt-free.

We are now told by this administration that they are saving $300 million. The fact is the money still has to be borrowed, and the covenant and guarantee they are giving is the covenant and guarantee indirectly of the people of Canada. Properly reflected, this $300 million should be added to what we understood was the ultimate figure to be spent in 1977, that is, to the $42.1 billion I referred to, the figure which the President of the Treasury Board told us only last month was the sky, the uppermost figure for 1977. For these reasons, we are asking the two ministers to give us an explanation as to why they cannot save for the people of Canada $225 million, as I touched on earlier, but why at least another $410 million cannot be eliminated from the non-budgetary side of federal spending for 1977. The Minister of Finance (Mr. Macdonald) claims he is innocent of the charge of excessive spending, but he appears to have blackened the figures to make himself white.

In addition to the savings I have indicated, we believe the administration should tell us why $250 million cannot be slashed from the consulting and related contracts reflected in current estimates. These are only part of the contracts this administration has grown accustomed to awarding to their friends. Based mainly on the Auditor General's recommendations, we believe the administration should tell us why administrative savings cannot be realized and the civil service stabilized with a cost saving totalling at least $90 million. In addition, a systematic amalgamation of departments or the phasing out of departmental operations which overlap with other federal departments or provincial counterparts can realize minimum savings of $50 million.

Do we really need 29 ministries in Canada, when the Americans can operate a country ten times our size with half that number? Does it really make sense to have ten departments operating in each of our provinces when in many cases their activities overlap directly with counterpart departments in Ottawa? I understand that on occasion these departments become counterproductive—one arguing with the other as to what should be done, with the result that nothing is done. To this end, it might be wise for the government to commission a Glassco-type commission to review the spending habits of this administration with a view to suggesting where savings may be made. After all, when the Glassco commission study was done in 1962, total federal spending was $6.5 billion. Today it is, on the same basis used at the time of the Glassco commission study, over $34.9 billion, a figure five times that of 1962.

In total, I have outlined possible savings of $1,025 million this administration could consider. Now, here is how we would like to see those savings used. First, we would like to give a tax break of $250 million to the Canadians who have been paying the shot. Of this amount we would like to see a 10 per cent tax credit—that would be about $100 million—go to those earning $8,000 or less. The remaining $150 million should be given in credits scaled down appropriately for those earning between $8,000 and $16,000. We believe it is time to give the taxpayer such a break, for three very good reasons. The April Economic Review reveals, at page 56, that the real gross national product per employee in Canada has actually gone down by $200 since 1972. In 1975, the average employee, in real dollars, earned $11,645 compared to $11,848 in 1972. Surely it is wrong to deny a tax break to such employees who are being required ti restrain their wage increases. Second, we would point out to the administration that they have reaping a bonanza in personal income tax aggregate increases which this year alone are jumping 26 per cent, or $3.3 billion. An 8 per cent reduction of this increase would not be out of line. Third, and most importantly, as we have already indicated, the administration just does not need the money. By being more restrained and by being more frugal there is no doubt they could save this amount and turn it back to the people we and they are supposed to be serving.

We would like to earmark another $100 million of our spending cuts to give further incentives to the private sector to encourage it to increase its activities in the research and development field. In this connection, we should have a further explanation as to why the administration chose to end assistance to small business under the Industrial Research Development Incentives Act. Our incentive scheme would be adjusted regionally to provide the greatest incentive in areas of disparity. For instance, locations in the maritimes would earn a 70 per cent credit, but locations in, say, Toronto, would earn 25 per cent. This administration only gives lip service to productivity and improving our trade balance which is really an $8 billion deficit. I am pleased to see the Minister of Industry, Trade and Commerce (Mr. Jamieson) here. We should never forget that before we sold our non-renewable assets last year, the total trade deficit in this country was $8 billion. We covered that deficit by selling $2.9 billion of our non-renewable resources. That left a deficit of $5.1 billion, and even the administration admits that $5.1 billion deficit. We covered by borrowing, in foreign lands, $4.7 billion and allowing our cash reserves to go down by another $400 million.

● (1600)

But let us not forget the point. We had an $8 billion deficit before we started to sell our non-renewable resources, and I would say it is wrong to continue to pay for current extravagances in the form of trade deficits by selling off non-renewable resources that we shall run out of some day. Surely, from an accounting standpoint, we should show our accounts on the basis of the situation before we sold these resources and after we sold them, and the administration should attempt to ensure a continuing benefit to Canadians with respect to the moneys received fron the sale of those resources. I have in mind something like the heritage fund in Alberta in connection with the sale by that province of its non-renewable resources.

The minister spent the greater part of yesterday's question period claiming that we cannot sell goods in foreign markets if the markets are not there. I say to him, "The markets are there, if you have the goods to sell; but you cannot get goods to sell if you keep shortchanging research and development in the private sector." Look at the facts. For the past ten years the private sector has spent .3 per cent of our gross national product on research and development. There has been little encouragement from the administration to increase this figure. On the other hand, the Americans spend 1 per cent of their GNP on research and development, and Japan and Germany spend 1.4 per cent of theirs. With our competitors spending such amounts on technology and the development of new products, is it any wonder that private industry here finds it difficult to compete in world markets? The minister is simply out of touch when he says the markets are not there. The markets are there. The difficulty arises through the failure of the present administration to give leadership and guidance to Canadian industry and to help them capitalize on those markets. By increasing our exports in this field we would lower our trade deficit in the most meaningful way—by selling merchandize, not non-renewable resources.

Tightly linked with this approach we would like to see another $75 million of the savings to which we have referred spent in giving export sales support and incentives to industry, especially to small businessmen who would increase their share of international markets. Surely, if the government is willing to give billions of dollars by way of assistance to large corporations, mainly foreign-owned, in the form of export credits it could give some assistance to our smaller concerns who could compete in these world markets if offered the opportunity.

Another $25 million of the money we suggest the administration could save should go into medical research in the hope that, through research, cures and preventive procedures could be found for many diseases which afflict citizens in this country. It is totally inconsistent to spend billions of dollars in the field of health and welfare while at the same time shortchanging medical research. Is it not sensible to find cures or, better still, to prevent diseases, rather than spend hundreds of millions of dollars treating people who become afflicted?

Mr. Speaker, all businessmen, and small businessmen in particular, are being swamped with increasing requirements to file government forms. This trend must be reversed. We believe the administration should be willing to pay small businessmen for filling in federal forms, possibly by providing them with a suitable tax allowance. Hopefully, action along these lines would drive home to the federal administration the degree to which they are leaning on business to supply them with information which, very often, is never used. If they had to pay in order to get these forms completed, they might decide they did not need the information after all; they might even drop some of these forms. What a pleasant relief that would be for more than one million small businessmen who find the filling out of forms for the federal government one of the most onerous tasks they have to live with, when they would much prefer to be out selling their products or engaged in increasing their production?

In addition, we would like to see an incentive given to small businessmen to encourage them to increase their sales. As their sales increased over a certain level they would become entitled to a tax credit or rebate on a formula basis. In total, this form of assistance to small business and the form fees would take up $50 million of the unnecessary federal spending to which we have called attention. All in all, we believe $500 million of the $1,025 million we have identified could be given back to the Canadian people in the form I have outlined. The balance should be used to reduce the cash needs of the administration from $4.5 billion to $3,975 million. Such a cash deficit reduction would help renew public confidence in the economic future of the country. It would demonstrate to the Canadian public that, rather than continue to live with deficits, an attempt was being made to reduce those deficits. Capital markets would respond positively to such a move, and this in turn would encourage lower interest rates.

One of the most disturbing aspects of the budget is its lack of perspective. There is no long-range theme, no indication of where the administration sees the country going beyond 1977. We believe there should be a two-year review undertaken in every budget presentation, and a five-year perspective offered. In the United States, to which the Minister of Finance looks for relief, two-year budgets are required by law and a five-year perspective is given in addition. In that country they are much more frank with their people than the present administration is with Canadians. They spell out where they believe the country is going, then let their citizens judge the success or failure of successive administrations in reaching the goals set. In Canada we are told our real growth will be about 5 per cent this year, but this is not even a guess as to the situation in succeeding years. In the United States the long-term projections show a 6 per cent average rate of real growth from 1975 through 1981. Furthermore, this rapid advance in output is accompanied by a slowing of the inflation rate from 6.5 per cent in 1975 to 4 per cent, and possibly even 2 per cent. They show unemployment as deciding dramatically, well below the projection the Minister of Finance is holding out for Canada.

Mr. Speaker, the measures announced last Tuesday are not worthy of a budget presentation. Most of the items could have been covered in other ways. We are faced with an inflation rate of 9.4 per cent this year. This ought to be significantly lower. We are faced with current unemployment of 7.4 per cent and the situation is expected to be worse toward the end of this year: the figures will prob-

ably be even higher next year. That rate must be made lower. The real rate of growth in the economy last year was only .2 per cent, and the prospect this year is 5 per cent. It should be at least 6 per cent in this current year. We have an admitted deficit in trade of $5 billion, which is really the $8 billion deficit to which I have referred. We have interest rates 3 per cent higher than those in the United States, a country with which we are attempting to compete. It is with that background, Mr. Speaker, that I move, seconded by the hon. member for Saint-Hyacinthe (Mr. Wagner):

● (1610)

To delete all the words following "That this House", and insert:

"regrets the lack of any government commitment to the long-term growth and job potential of the Canadian economy, its failure to realize that sound economic growth and job creation are essential to effective control of inflation, and its refusal to impose any real and honest restraint on its own spending to ease the tax burden on Canadians."

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, may I first deal with a point of order before commencing my remarks. I intend to move a subamendment before concluding, and I understand because of that I will have 40 minutes in which to make my remarks.

The Acting Speaker (Mr. Turner): It is my understanding that the hon. member for Waterloo-Cambridge (Mr. Saltsman) will have 40 minutes in view of the fact he is moving a subamendment.

Mr. Saltsman: Thank you, Mr. Speaker. I would have required two days if I had intended to reply to the previous speaker, but I am going to forgo that particular luxury. Let me say something about the statement of the Minister of Finance (Mr. Macdonald) on budget night, in respect of which he has been suggested as saying he would rather be unimaginative than foolhardy. The minister managed the impossible task of being both unimaginative and foolhardy; foolhardy in the sense that he neglected in the most shameful way to do anything about that great forgotten problem of the Liberal government, namely, unemployment.

In many ways this is a political budget, not that all budgets are not political to some extent in that they all contain some element of politics. I would be naive to assume that they were not; but I have never, in my years in the House, seen a budget that was so totally political and totally responsive to an effort to correct the damage the Minister of Finance thinks his Prime Minister (Mr. Trudeau) did by his speech on New Year's. The budget is totally oriented to assuaging the business community to the belief that the new society the Prime Minister was talking about is unreal. He was trying to say to the business community, "Don't worry about it. This is still 'Canada Incorporated', with business as usual, and I am introducing a budget which will demonstrate that to you."

If you want some evidence of that, Mr. Speaker, let us look at the concluding remarks of the Minister of Finance when introducing the budget. His last paragraph is couched in the best of Bay Street terminology. The paragraph which appears at page 34 of the budget speech is as follows:

We see ourselves as partners and not as sole proprietors in this enterprise. It is well to remember that in our economy there is not only a recognized role for governments and their enterprises but also and a massive and crucial role for private firms, labour unions great diversity of other private institutions and associations. If government alone is held responsible for the performance of the economic system, then government will be driven increasingly into the regulation of the private sector, at the cost both of efficiency and of economic freedom. In general we all look to the private sector to deliver the right goods and services to the right place at the right time and the right price. Productivity growth results primarily from the actions of the private sector, not the policies of government. The private sector can expect government to provide a framework of law and economic policy in which it can best function. But government can expect the private sector to operate efficiently, competitively and with due regard to the interest of society within that framework.

Never, in all the budget speeches I have listened to, have I heard such a denial on the part of the government of its own responsibilities. The budget reflects that, in that it says—almost in its entirety—that the government is not going to do anything. In some ways one gets the picture from the budget of the Minister of Finance, in an old jalopy going down a steep hill, with his foot on the brakes and his hands off the steering wheel, hoping to heck that a street called "Main Street, U.S.A." has been cleared for him. That is about the extent of the management he is putting into this economy with this budget.

The Minister of Finance is, in effect, saying, "Don't pay any attention to the Prime Minister's musings. Private industry is going to run this country as it always has, and not the government of Canada." He says, "To demonstrate that to you, we have given you a non-budget that in fact is not going to interfere with the marketplace in any way or try to manage the economy in any significant way". In other words, from the minister's point of view, the government that is best is the government that governs least.

The budget is a confused and impotent document that seems to have been put together by a committee, not of economists but of theologians. It seems to be an act of faith rather than anything based on economic doctrine and thought; sort of an Episcopalian belief, with faith that the great United States will save us. That country is going to be the cavalry which comes over the hill to the rescue of the Canadian economy. There are a number of problems with that kind of concept. First of all, we do not need the United States to save us. The minister, in his speech, seemed to be saying that unless the United States society recovers there is not much point in the Canadian government doing anything at all. That is the most shameful statement made by any minister of finance of this country.

Let us examine that statement for a moment. Granted, there is always some truth to the suggestion that our economies are interlocked. Let us look, for instance, at the manufacturing sector where the bulk of employment in Canada exists in terms of initial employment which feeds the service industry and other sectors above it. We find that the output of the manufacturing industry is consumed by the Canadian economy to the extent of 75 per cent, rather than by any foreign economy. We do not export manufactured goods, we export raw materials, and that is not a job-creating industry.

An article appeared in this morning's *Globe and Mail* which is very revealing. I wish I had the kind of confidence the hon. member for York-Simcoe (Mr. Stevens) seems to have that the United States economy is going to

do better than ours. That hon. member holds up the United States as the guiding light for Canada. Things are bad enough in this country without that kind of guiding light. The heading of the article in the *Globe and Mail* is "Consumer confidence down sharply in U. S." Surveys being conducted in the United States indicate that the present recovery is mild, and a pretty shaky one. In addition to that, there is concern that before that recovery gets under way, inflation will start again. Monetary managers in the United States are starting to tighten up their monetary policies and increase interest rates there. If we are waiting for a United States recovery—and I hope that country recovers, as I hope every country in the world recovers we may be waiting for a long time in vain.

● (1620)

In other words, even if the American economy does recover, what guarantee is there that we will follow suit? The Minister of Finance (Mr. Macdonald) has taken considerable pride in pointing out that our economies have not been going in lock-step, that while the Americans suffered a high level of unemployment and inflation, in Canada we were doing somewhat better on the whole than the Americans. He is now reversing his position and saying that we are in lock-step because we have to wait for them to improve. The evidence is that by pursuing different kinds of policies we can do things the United States cannot do.

What really saved us in this country from the severest kind of depression was the unemployment insurance legislation we had, the old age pension legislation and the family allowances legislation. This provided a cushion and a stimulus to consumer purchasing power. That was absent to the same extent in the United States, and therefore the severity of the depression did not hit us as much as it hit them. However, if we look at the problem in the United States and assume that there will be an automatic recovery in Canada as the American economy recovers, we find no basis for that assumption. First of all, the slack in the United States is very great. Even if they recover to some higher lever of activity, what will they buy from Canada? They will buy the same things.

For a long time they have been buying our raw materials, which does not provide the same range of employment opportunity. If they step up their purchase of raw materials, we will have the same situation except that it will be exaggerated because the effect of selling raw materials to the United States will be that the value of the Canadian dollar will increase and we will be sucking in the manufactured goods, which is happening now and creating further unemployment in Canada.

What I am saying is that prosperity in the United States does not necessarily mean prosperity in Canada. Prosperity in the United States may very well be followed by a depression in Canada. Yet the Minister of Finance pins his entire policy in this budget on the hope that the American economy will recover and that we will get dragged along with that kind of recovery. That is fine management of the economy; that is great government we are getting! We might as well be paying our taxes to congress as paying them in this country, if that is the kind of management that is taking place. A budget is supposed to be an instrument for managing the economy, and not an instrument of prayer. The cabinet does not look like a church, nor should it.

[Mr. Saltsman.]

Let me take another example of the kind of situation the minister hopes for which may not materialize. In Canada there has been a fair demand for automobiles. Despite that, because of the lack of demand in the United States, our production in Canada has been declining and the imbalance of trade between ourselves and the United States has been increasing. The total imbalance in automobile trade is now close to $2 billion. In other words, we are importing $2 billion more, in terms of automobiles and parts, than we are selling to the United States. The Canada-U.S. auto agreement, with its main safeguards, still does not provide adequate protection for guaranteed production in Canada. The decisions that are made in respect of that agreement are made at the head offices of the motor companies of the United States, and the decisions are not always economic decisions based on where are the best costs or opportunities. Often they are political decisions.

If the American recovery should take place, it is not necessarily the case that we will receive an increased share of that recovery unless the American recovery takes place at such a pace that it is overheated and there is a surplus which must be purchased from other countries. In other words, before we can really count on the United States helping us, the improvement would have to be of vast proportions—and there is no evidence that that will take place. That is what the Minister of Finance is waiting for.

Other countries have managed their own prosperity. It is not as though this is a universal thing. Countries like Sweden, through proper planning, have in fact avoided some of the worst effects of the recession. Other countries have accomplished the same thing. Germany has accomplished very worth-while objectives by having better management of its own economy. Therefore, it is important that this country not be complacent, that it not sit back, and that it not wait for a foreign recovery in order to get the 7.4 per cent unemployment rate down in Canada.

It is for that reason we have advocated there be tax cuts in the economy at the lower end of the scale. The budget in fact does contain some tax cuts, but they are at the upper end of the scale in terms of registered retirement savings plans. There should be tax cuts at the lower end of the scale, because this would do two things. It would encourage consumers in Canada to purchase goods, and it would also restore some element of fairness to a tax system which badly needs that fairness restored.

The government and the minister may argue that this would be inflationary. Yet there is evidence that it need not be inflationary. The Conference Board of Canada pointed out that government deficits are not the cause of inflation. Other people in the business community also pointed out this situation. Therefore, it is important that purchasing power be restored in the economy. Very often, tax cuts and planned deficits result in surpluses, because if you can get the economy going again and can notch up some of the unemployment that is taking place and stimulate the economy in that way, there are very substantial savings from not having to pay out as much in unemployment insurance and welfare payments as well as having tax collections from those who are working.

A tax cut would encourage investment as well. My friends to the right seem to argue there has to be direct encouragement to investment. The experience has been that investment takes place when there is purchasing power in society. If there are customers whose needs need to be satisfied, industry will invest. At any rate, there does not seem to be any great need for additional investment to get the economy going, since the manufacturing industry is operating at only 80 per cent capacity and we must vastly increase the output of our society if in fact there is purchasing power in our society.

There are many things we could do aside from increasing purchasing power. There could be more direct government expenditure in things like improvement of the railbeds in Canada, which would have a significantly important job-creation effect. This would provide work for people directly on the railroads. It would provide work indirectly in places like the Sydney steel mills where the rails could be made. The Canadian government is talking about reviving passenger service in Canada. If there are expenditures needed for that, what are they waiting for?

Surely now is the time to proceed with these matters, when we need the employment and stimulus in this country. Yet there does not seem to be any response from the government in that area. If I were the prime minister, I think I would be suing the Minister of Finance for alienation of affection.

I mentioned earlier about consenting adults. This is not adult, and this is not consent. I pointed out earlier in my remarks the great rhetoric in the Prime Minister's New Year's address, the talk of a new society and the forward-looking adherence and devotion to the Galbraithian ideas. These have been shot down in this budget by the Minister of Finance. I do not see how the Prime Minister can ever again call himself a Galbraithian. In fact, he has betrayed the central ideas of Galbraith. It seems that that great vision has now gone out the window and that the Prime Minister is in bed with the Minister of Finance and his unimaginative ideas.

● (1630)

The whole point of the Galbraithian thesis—and I think it is important to deal with this—this was the idea that brought in the wage and price controls program of the present government—is that you bring in that kind of system in order to enable you to do good and intelligent things. The government brought in the control system with all that is wrong with a control system but without any compensating merits which would enable them to use the control system for good things.

If you look at what Galbraith had to say about what he would do once a control system was in, you find that the government is doing none of these things. Galbraith said that the first thing you do is to improve the progressiveness of the income tax system; you lower taxes for people at the lower end of the scale, and you increase them for people at the higher end of the scale. That is what a control system is supposed to help you do. The idea of the control system is to keep a lid on inflation in order to enable you to stimulate the economy and to achieve more fairness in the incomes of people. So you would want a progressive tax system. We do not have a progressive tax system, nor is there any indication that the Minister of Finance intends to have it. Rather than do that, he has improved the amount of money that can be set aside for the registered retirement savings plan. He lifted the amount that can be set aside to $5,500. In other words, you can save up to $5,500 of your income, put it in a registered plan, and pay no taxes on it at all. Who has $5,500 to save? Certainly not the ordinary people of this country. If we look at the experience of the registered retirement savings plan and at the experience of some of the other programs that the government has set up, we find that even though it does not look like a tax break for the upper income people, the effect of all these new programs has been to enrich those who already have money, to the disadvantage of those who do not.

Let us take a look at the indexing which the government has brought in. The effect of indexing on tax reduction is startling. By the government's own figures, a married taxpayer with two children who makes about $10,000 can expect to have his taxes reduced by about $150. In 1976, through indexing, a similar taxpayer in the $30,000 bracket will save about $470, while a similar taxpayer in the $50,000 range will save about $680. The 38.4 per cent of tax filers who reported under $5,000 income received the grand total of .2 per cent of the tax savings from the deductions listed; that is, 38.4 per cent of tax filers had an income under $5,000, yet out of every $10 that was saved in taxes because of these programs, this group got just 2 cents out of the $10. The 2.4 per cent of tax filers who reported incomes of over $25,000 managed to snag just over 35 per cent of the total tax savings to be had from these programs. Out of every 1,000 tax filers, it were in the $25,000-plus category, yet out of every $1,000 saved because of these gimmicks, this small group saved $350 million of it.

The benefits of half taxation on capital gains are also enormous and concentrated in this top group. The top 2.4 per cent had 52 per cent of the taxable capital gains in 1974. This amounts to tax savings of about $31 million in 1974, a gift from the government to the richest citizens of the country. At the other end of the scale, the effect of half taxation of capital gains was the tax savings of some $171,000 spread over some 4,400,000 tax filters. The top 2.4 per cent saved over $88 million in taxes in 1974 through the registered retirement savings plan and just under $150 million from the total of exemptions as I have listed them.

The bottom 89 per cent, everyone with $15,000 income or less, saved just under $40 million through the RRSP and about $138 million from the total of exemptions. So we have 2.4 per cent who saved $88 million through this plan, and 89 per cent who saved $138 million from this plan—hardly an equitable system and hardly the kind of thing that the Prime Minister's love affair with Galbraith would indicate would be the correct thing to do.

There is an interesting editorial in the Ottawa *Journal* of March 30 in which reference is made to some of the loopholes which exist in the registered retirement savings plan. It is headed "Loopholes to stroll through", like walking through the tulips. It reads:

Let nobody deny that Canada is a land of opportunity. Just consider a few of the opportunities created for Canadians by the federal government:

They can borrow from the bank at 13 per cent, invest the money at 10 per cent and make $200 or so in profit every year at the expense of other

taxpayers. They can set up a registered home ownership savings plan in order to buy back a share of the house they cleverly transferred to the wife or husband the year before. Or they can collect the same $5,000 or more in tax savings by buying furniture for the house they already owned.

They can get the government to subsidize a foreign vacation by establishing a few years' worth of tax-sheltered registered retirement savings plans, then taking a year off in order to cash in funds at a large tax saving—several thousand dollars' worth for those who can wait a few years for the holiday. They can accomplish a similar tax saving without quitting work or taking a holiday by setting up a few years' worth of retirement plans for a wife or husband and then having the funds cashed in during the year in which the spouse's other income would be low.

Few, if any, countries in the world can match these and other opportunities for taxpayers to get something for almost nothing without even needing an accountant to figure it out. Just reading the financial advice columns in the newspapers would provide all the basic guides to the loopholes.

There is another excellent opportunity that is provided in this new society. If you invest in Canadian corporations and you get an income of $15,000 from the investment, it is all tax-free. Compare that to the situation of the man who works in a shop and earns $15,000 a year, if he is lucky enough to earn that. He would pay a substantial amount of tax. But you can invest in corporations and get some tax-free income. The story in the *Globe and Mail* of Thursday, May 30, headed "Investing in Canadian corporations could mean tax-free income" tells you how to do it. That is part of what our complaint is. I will not read that story. The techniques for doing it are there, and there are many people who take advantage of them.

● (1640)

Galbraith, in case the Minister of Finance has forgotten, or in case the Prime Minister has not reminded him, wanted a more egalitarian income distribution. Where is that in the budget? This budget, in fact, takes some of the advantages which I have outlined which already exist for upper income people in the home ownership plans and the registered retirement plans and gives them additional benefits, and the same kind of income distribution will take place. Those who have a great deal of money will get the tax-free benefits, and those at the bottom who can barely make it will get nothing at all. They do not have $5,500 per year in clear savings to put into these registered plans, and therefore they do not get the benefit. Is that the more egalitarian income distribution the Prime Minister has seemed to be so taken with?

Galbraith pointed out that there is a need for more government spending when the economy is flat. He did not suggest to the Prime Minister or to those here in Canada who read his interviews that we should wait for the American economy to correct itself. He said that if the private sector is not producing and providing jobs, then it is a government responsibility to see that jobs are created to stimulate the economy. However, above everything else the central part of what he was saying was that there must be full employment in society and that no government has any excuse for not moving and bringing in policies which create full employment. Instead of the government moving to full employment—and it obviously has no intention of bringing in policies to bring about full employment but is only praying that something will happen south of the border—it is going to do something else.

[Mr. Saltsman.]

If the government cannot bring about full employment, how about knocking all kinds of people off the unemployment insurance rolls? Therefore, the government is suggesting a series of moves which would ask the poor in many of the areas of Canada where there is not any employment to pay for their failures and giving them the kind of aura which has been suggested by my friends on the right that they should have. The government is trying to out-conservative the Conservatives in terms of the approach it is taking with regard to the Unemployment Insurance Act. I have been critical of the Unemployment Insurance Act, as have many people. We know there are abuses in the act, and all of us are interested in correcting the abuses; but why does the government not work on those abuses, rather than throwing people out of work off the rolls? The greatest abuser of the Unemployment Insurance Act is the government itself by tolerating this level of unemployment.

Some hon. Members: Hear, hear!

Mr. Saltsman: Any government which cannot produce employment is not worthy of that name, and because it has failed to provide the kinds of policies which will produce employment, and it is not prepared to intervene in the economy to see that there are jobs for people, it has no right to say to those who are collecting now that they are off the rolls. In many ways, the decision of the government to increase the qualifying period from eight weeks to twelve weeks is probably not going to have the results the government thinks it will. It will not really save the government the amount of money it expects. If it does, it will not be a total saving. It will be at the expense of the provincial and municipal governments which will have to pay out money to cover up what the federal government is not paying. In fact, it is going to be a forced transfer payment from the provincial and municipal governments to the federal government.

Mr. Broadbent: Welfare!

Mr. Saltsman: People will be thrown onto welfare. The other day, when I raised this question with the minister during question period, he became highly indignant and suddenly started to spout figures which a little while ago he claimed he did not have. He had no idea, and I do not think he knows now what the consequences will be. At the present time, even with the eight-week qualifying period there is a serious problem. Somebody who is between jobs, waiting to go back to work and is offered a job and takes it—a job lasting a week, two weeks or three weeks—will lose his unemployment insurance as a consequence. If that waiting period is increased from eight weeks to twelve weeks, how much less incentive will there be for people to take temporary jobs to get off unemployment insurance, to the extent it is possible, until they can get a full time job?

The minister and the government have no right to throw the burden on the unemployed in this country. This problem cannot be dealt with when there are no jobs available. When there are almost 800,000 people looking for jobs, and less than 60,000 jobs listed, how can we put those people to work? We cannot. How do we know who really wants to work, and who is abusing the system? There is no way of telling. Until the government moves to full employment

and has some kind of industrial strategy for grading employment, and until it stops waiting for the United States and comes up with some regional policies which make sense, it should not throw people onto welfare by removing them from the very thing which has saved us from a very serious recession.

Because of that, I want to move an amendment to the amendment. I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the amendment be amended by changing the period at the end thereof to a semi-colon, and by adding immediately thereafter the following words: "this House regrets in particular that at a time when more than 760,000 Canadians are unemployed the government has announced its intention to change the minimum qualifying period for unemployment insurance benefits from eight to twelve weeks".

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Winnipeg North (Mr. Orlikow)—Manpower—Government action to find employment for students; the hon. member for Winnipeg South Centre (Mr. McKenzie)—Air Canada—Request for investigation of finance branch at Winnipeg by Auditor General; the hon. member for Hillsborough (Mr. Macquarrie)—External Affairs—Considerations entering into sale of military equipment.

● (1650)

GOVERNMENT ORDERS

[*Translation*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed consideration of motion of Mr. Macdonald (Rosedale):

That this House approves in general the budgetary policy of the government.

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, it is always with a certain amount of anxiety that members and constituents alike look forward to the budget speech, because in any society and organization, finance and budget matters are always of paramount importance.

Before I get on with my remarks, I would quote some excirpts from an article that appeared in *La Presse* of May 26, 1976, that is a report on the currant ACDA conference in Vancouver, under the headings:

Six hundred million more units needed within the next 30 years.

I find stated in that article:

Our cities and towns . . . lack jobs, are chocked with pollution, overpopulated, crammed with slums, devoid of adequate transportation facilities and faced with a rising crime rate.

And further in the same paragraph:

There are not enough jobs and housing.

How is it that a foward-lacking society such as ours should run shot of jobs and housing?

The next paragraph quotes the following words by the Right Honourable Prime Minister (Mr. Trudeau), which were probably referred to at that conference. He said:

In the search for human dignity, housing is a vital need, along with food and health. However, no country in the world not even those with the most advanced technologies, not even those with the most temperate climates can boast of providing adequate shelter to all its citizens.

I agree with that statement. But Canada, a country with the most advanced technologies, could have acted just the same with the best financial technologies, if the will had been there to considered a leader. If we have housing technology and lack the financial technologies needed to meet the current and genuine needs of the people, our present problems will remain.

Mr. Speaker, this budget is no surprise for newspapermen nor members. In my view, it brings forth nothing new, nothing exciting. It is more or less the same old thing I have been hearing under six different Ministers of Finance.

It shows again the same financial thinking, it reveals another aspect of a new tax which Canadians will have to support. Mr. Speaker, unfortunately our economy is running too fast and yet the government economists do not seem to have other solutions to put forward to help the government, because I know very well that it is not the Minister of Finance (Mr. Macdonald) who develops the financial policy of Canada, I am not that credulous, yet it is the government economists who control the Minister of Finance and are responsible for what we see now.

I would like to say that in *Weekend Magazine* of April 24, 1976, page 5, a journalist rightjfully makes fun of economists. The headline of the article reads:

GEE, ECONOMISTS SURE ARE FUNNY

And if we examine the present financial policy of the government and the results it has given in Canada, we can say that this series of six different cartoons show, if I may say so, the outstanding features of our Canadian economists and where they are leading us. They are represented by four individuals—let us say, the Minister of Finance and three economists—on a boat, at sea.

In the first cartoon, we see those economists discussing economic problems among themselves while they are slowly sinking: the boat is taking water, there is a hole in it, and it is sinking gradually, just like our Canadian economy. All the while, our economists continue making grand plans, voicing grandiose theories. This is what one of them says:

. . . Depressions and recessions were part of the normal cycle of . . .

Depressions and recessions are part of normal cycle, indeed! The other one says:

... Solution to the problem is ...

But he does not say.

The boat continues sinking ever so slowly. In the second cartoon, one end of the boat has already sunk quite a way into the water. One economist declares:

... The nature and role of the free market system ...

And so they continue enunciating theories while sinking.

The other says this:

... That consists in defining scientific excellence as ...

He is already half submerged and he keeps on making theories.

In the third cartoon, the economist gives a new theory:

... By stimulating demand and production by manipulating the money supply ...

This is what they do indeed. We in the Social Credit Party know this very well.

There, we see the boat completely submerged and we see the heads of the four economists out of the water. Another economist says:

... Building economic model of ...

The caption on the fourth cartoon reads:

... Once we abandon present theory of ...

The other economist says:

... Short-term analyses which guard against ...

And there you see the head of one economist disappear in the water and the three others have only their heads showing. In the fifth cartoon, the economist says:

... Neo-classicism is a "microeconomic" theory that ...

Then, under he goes. The last one says:

... Whatever the market will bear ...

And the boat diseappears completely. The last cartoon in *Weekend Magazine* of April 24, 1976, page 5, shows only the sea. The boat has disappeared and so have the economists.

Tuesday night, on television, the Minister of Finance seemed to be already in water up to his waist, because he let himself be guided in the boat of finance by economists who have never brought anything else to Canada but deficits to maintain the financial system we have been denouncing for more than 30 years.

● (1700)

Mr. Speaker, it is absolutely ridiculous and unthinkable to see to what extent, from the mathematical and financial point of view, this country is going adrift and to find out again that the Minister of Finance (Mr. Macdonald) is having fun in the same boat with the same economists who give him the headaches which we know he has. Now, what struck me first and other hon. members who attended the reading of the budget around six o'clock, before the Minister of Finance made his speech in the House, was that inflation is good for the federal government because, without even touching the tax scale, it takes just under $4 billion more from personal income.

[Mr. Rondeau.]

Last year, personal income gave the federal government a total revenue of $12.703 billion without taxes being increased. Because of inflation and as a result of the government financial policy creating inflation, $16.040 billion will be paid by Canadians in 1976, without taxes being raised. This means that inflation now allows the federal government to pocket almost $3.5 billion, without higher taxes while corporate taxes will bring $120 million more in the coffers of the Minister of Finance, which represents a 2 per cent increase for companies.

Mr. Speaker, the last six ministers of finance have always sung the same tune, come up with the same refrains. They do not change their tune and keep telling the Canadian people: Tighten your belts, live within your means.

The budget before us shows a $5 billion deficit, which clearly indicates the federal government is living above its means. How can the people be expected to live within their means, just because they cannot involve everybody into debts to finance their expenses, and trust a government which preaches restraint while incurring a $5 billion deficit?

Mr. Speaker, during the financial year 1976-77, the federal government will spend some 28 per cent of the gross national product. And I have in my hand figures which show that when the Prime Minister (Mr. Trudeau) was elected in 1968, the total yearly expenditures of the federal government amounted to $13.9 billion. Today, they reach $40 billion, that is a 300 per cent increase over six years. In 1963, those expenses represented $737 for each Canadian whereas today they amount to $2,600 for each Canadian or $7,860 a year for the average Canadian family. On page 21 of the French *Maclean* of February 1976, an accountant from Quebec City, Mr. Marcel Bélanger, who has been for 15 years member of five inquiry commissions—two federal, three provincial, including one on taxation—and who is now president of the Canadian Institute of Chartered Accountants—as far as I know, he is not an idiot nor a social crediter—says the following:

Twenty five years ago, all governments ...

All governments, not only the federal government, but all governments—

... were spending about one quarter of personal and corporate income ...

Today the federal government alone is spending 28 per cent—

That is it, 25 per cent of what we call the national product. Today, the figure is 40 per cent. In the United States, it is about 32 per cent.

Further down in the same article, he says:

... Taxation sooner or later generates inflation?

The government is trying to find the causes of inflation and Mr. Marcel Bélanger, president of the Accountants Association of the Province of Quebec, who has chaired five royal commissions of inquiry, two of which under federal juridiction, says himself that taxation—and if anyone knows about taxation, an accountant does, since that is his job—generates inflation.

... And when taxation starts to generate inflation, you have a very strong indication that your relative limit has been reached.

... Therefore, the limit is not theoretical.

That is not theory, that is facts.

It becomes perceptible.

That is why I said: Stop! Call a moratorium on fiscal changes, on new programs, and try to cut back government expenditures. Or at least slow down their increase . . .

Mr. Speaker, these people also agree with the position we have always taken in this House that inflation results from financial pressures exerted on the provinces, on their taxation system by the federal budget. Québec municipalities are faced with the following situation. Some of them are now increasing their property assesment for 1976 and 1977 by 1900 per cent compared to 1975.

Since the provincial government is forced to change its property assesment in the province of Quebec due to the financial pressures exerted by the fiscal and monetary policy of the federal government, a 15-acre piece of land in the suburbs of Quebec City assessed at $11,670 in 1975 was assessed at $224,700 in 1976. The owner will have to pay in property only, let alone school taxes, $3,292 compared to $435 in 1975. Another taxpayer in Sainte-Foy who paid $40 in 1963 on an assessment of $4,400, will pay $588 in 1975 on an assessment of $33,450.

Mr. Speaker, when we go back to 1940 and look at the federal budgets, we note that in 1975 corporations paid 75 per cent of all taxes and in 1976-77, the national budget will be kept afloat by companies and corporations at a rate of 17 per cent; in other words, while personal income tax has increased, the corporate tax has decreased. As compared with 75 per cent in 1940, today, 17 per cent of the federal budget is being paid by corporations.

Mr. Speaker, I will not waste any time dealing with unemployment insurance. However, personal income tax has increased and the taxpayers will still be paying in 1977 almost $3,500 billion more in personal income tax, although income tax rates have not increased. Unemployment benefits will be reduced by approximately one half; in the words, theoritically speaking, instead of receving unemployment insurance benefits for 52 weeks, because of the new rates which have just been tabled, the same unemployment people will receive benefits during 26 weeks.

Mr. Speaker, one has to change the resources in the system being advocated. When we realize that a federal government, through its financial and monetary policies, can change the resource situation of a province or of an individual, then we must do something. The federal government has not always listened to the advice given him by economists. They listen to the economists who are in their employ, but pay no attention to those outside the House. In *Le Devoir* of May 31, 1971, it was reported that an economist employed by the Royal Bank of Canada, Mr. Reuber, has stated the following:

● (1710)

Ottawa should reduce personal income tax and sales taxes.

Ottawa does exactly the contrary in its present budget.

The government should reduce personal income tax and sales taxes to encourage productivity and decrease wage inflation, said the economist Grant L. Reuber, Director of the Department of Economics at Western University in London.

According to Mr. Reuber, the Bank of Canada worsened the economic problems of Canada by going from one extreme to the other and alternating credit restrictions and capital inflow in the banking system.

This economist is stating that it is not by reducing the money supply of a country that we lower interest rates. When we restrict the money supply of a country, we automatically boost interest rates and automatically fuel inflation in an economy. When will the federal government stop listening to the economists of the Department of Finance and believe the economists of other spheres of the Canadian economy who have other concepts than the endless deficits, increases, taxes and levies. This economist went on to say:

. . . Canadian taxes are traditionally high and compared to United States tax reductions, they could be the basis of radical changes in the tax system.

And I was referring to a speech. It was certainly not delivered by an idiot as the speaker was the Hon. G. V. Clyne, Chairman of the Board, Chief Executive Officer, McMillan & Bloedel Limited. He made that speech on April 29, 1969 and he predicted what is happening today. He is a businessman who can usually see beyond the end of his nose and who is well known by the economists. I quote:

[*English*]

It has recently been said in NDP political circles—

[*Translation*]

And it could be applied to the Liberals to demonstrate the same thing.

[*English*]

—that the British Columbia forest industry is not paying sufficient tax and is not bearing its fair share of the cost of government. Let me give you some figures from our own company, so that you can judge the truth for yourselves. . . . the profit of our Company was $38.8 million for 1968 . . .

We paid $36,500,000 in current income and logging taxes and set up a provision of $3,500,000 for deferred taxes, making a total liability of over $40,000,000 by way of income taxes. Then we paid another $20,000,000 odd to all levels of government by way of property taxes and fees, property rentals, federal and provincial sales taxes, stumpages, royalties and severance tax. In other words, in order to earn $38.8 million last year, this Company had to pay to governments at all levels $60.3 million.

[*Translation*]

Even before McMillan & Bloedel Limited could make a profit of $38.8 million, they had to pay $60.3 million in taxes to the government. Here is what he said:

(*English*]

In 1968, after allowing for interest expense, we made only 6.7 per cent on our net total assets. . . . last Thursday the bids for treasury bills, and as you all know treasury bills are 90-day obligations of the government of Canada, ranged up to 6.78 per cent. . . . Considering the risks, then, it cannot be said that 6.7 per cent is too great—

[*Translation*]

And this is what he said about Mr. Rasminsky who was then the Governor of the Bank of Canada.

[*English*]

—government costs are still rising and expenditures increase as government departments continue to seek out more and more areas of our national life in which they feel that they should intervene. Federal spending has risen from $7.7 billion for the fiscal year ended March 31, 1966 to $10.7 billion budgeted for the fiscal year ending March 31 of this year.

[*Translation*]

Mr. Speaker, that was in 1966—more than ten years ago. And this is what he said when comparing the Canadian and the U.S. tax system which the Minister of Finance

likes to interpret as being comparable with that of our country.

[*English*]

A Canadian earning, say, $30,000 a year, married with two children and paying, say, $2,800 a year in interest and property taxes, would pay about $9,550 in income taxes in Canada ... In the United States, a man with a similar income would pay about $5,750. Now, what concerns me is this, that in that income bracket are men with the kind of talent which Canada badly needs—men with leadership qualities and capacity for innovation. When they are attracted to the United States by improved earning conditions there, Canada loses a resource more valuable than her trees and her minerals.

—the danger of increased taxation ... is a threat to our economy. Canada, with her great resources, faces a future which may bring great prosperity, or it may, by reason of poor government and ill-advised taxation policies, fall into a state of stagnation such as has been experienced from time to time in other countries.

[*Translation*]

Mr. Speaker, I could go on speaking all day to show that this taxation system, this fiscal system, this monetary system, on the one hand penalize the worker, and on the other, discourage businessmen except those who have learned to evade income tax by the means that I shall enumerate, except the big companies—-and I cannot blame them—who take indirect means to evade taxes and manage not to give away all their profits.

I also have here an extremely interesting article which appeared on page 31 of the March 1976 issue of *MacLean's* and which was written by two highly qualified reporters, Jean Paré and Walter Stuart, about Tax Evaders, and I would like to quote a few very concrete examples:

With $100, you can set up a ghost company, and with $500, you are tax exempt for 30 years.

And I would like to go a little further and read a few extracts from this article in order to make my point.

In the *Cayman Island Handbook,* a tourist-oriented brochure, it is said:

Taxes are the scourge of the twentieth century, just like world wars, overpopulation and pollution.

Social Creditors for their part say "pollution through finance". I quote:

There are people who are victimized by overtaxation such as existed in the worst tyrannies of Ancient times ... It is quite natural that you should want to protect your property against thieves and income tax collectors!

I am quoting from the *Grand Cayman* tourist magazine.

It is estimated that there are 155,000 ghost companies that only serve to protect profits which should normally have been taxed. Last year, there was a travel agency selling a world tour of tax havens.

This means that tax havens were specially advertized.

—(there are more than 30)—

—in one island only.

—for the ridiculous sum of $1,750, which is deductible from taxable revenue in any case.!

—every dollar sent under the tropics by a large company or a rich spendthrift must be replaced with a dollar taken from the income of a worker, most often a poor one. The Gaspé fishermen, the Port-Cartier lumber workers, even the Olympic stadium plumbers are unable to hide their income from the tax collector: They are the ones who pay for "fiscal tourism".

The federal Department of Revenue is completely in the dark as to the amounts lost in this manner: "We do not even have enough information to give us an idea of the scope of the problem. Until now, we have recovered $10 million, but this is only the tip of the iceberg. Some people are talking about $100 million a year, others of $1 billion!

... Even the most famous and the most pretentiously honest banks do chip in. There are 186 of them in Grand Cayman, that is one for every 63 people!

... Any individual may set up a Grand Cayman ...

—And I could quote, Mr. Speaker, a host of other countries where at present, through multinational companies, Swiss banks, banks in the Bahamas, in Panama or in Grand Cayman, companies may evade taxation and this is perhaps one of the reasons why we now see that companies—I will give other figures later on—are not increasing the federal tax intake. Because today they want to save their undertakings they use all legal means at their disposal. I do not say these companies are acting illegally, no they are acting legally. I continue this quotation:

... Any individual may set up in Grand Cayman a joint-stock company by paying $100 in incorporation fee and an annual contribution of $50. As long as this company's profits are coming from outside, Grand Cayman will not collect any taxes. They can even get a tax exemption for 30 years on paying a $500 permit!

Profits made in Canada by your "foreign" company and directed to Grand Cayman are tax free until you decide to get them back ... if someone happens to discover it. "You go on holidays over there, a Toronto Bank manager explains, you draw a cheque on your local company and come back with cash in hand ...

Between sunrise and sunset on December 22, 1966, three days before Christmas, Seagrams succeeded in converting $17 million of taxable profits into non-taxable money simply by having them switched around from one to another of the many branches of the Bronfman empire ...

Imperial Oil ...

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member, but his time has expired and unless he gets the unanimous consent of the House, he will not be able to carry on with his remarks.

Does the House agree to allow the hon. member to proceed with his remarks?

Some hon. Members: Agreed.

Mr. Rondeau: Thank you, Mr. Speaker. I also wish to thank my gracious colleagues for giving me the chance to complete my remarks because I was only beginning. I was surprised to hear that my time was up; however, I will try not to take advantage of the kindness of the House.

I go on with my quotation:

Imperial Oil ... three directors and a secretary succeeded, from their homely little office in the Bermudas, in making a net profit of $35 million in less than five years! If that profit had been made in Canada rather than in the Bermudas, Imperial Oil would have paid $17.5 million additional taxes ...

Mr. Speaker, I could give many more examples just as down-to-earth and as Canadian; however, I have here a list of other Canadian companies that are slow in paying even the Canadian taxes they should pay.

Steel Company of Canada, Limited, have tax arrears of $149 million; Dominion Foundries and Steel, Limited, $101 million; Alcan Aluminum, $149 million; Aluminum Company of Canada, Limited, $139 million; International Nickel Company of Canada, Limited, $102 million; Imperial Oil Limited, $87 million; Domtar Limited, $53 million; (U.S.) Crown Zellerbach, $59 million; International Business Machines, $49 million; all the above mentioned compa-

nies have at the moment arrears each exceeding $50 million.

Mr. Speaker, a mere look at the Canadian taxation and monetary systems shows we must be blind not to realize or admit that they are sick. In 1963, we paid $1,431 million in interests on the public debt; in 1964, $1,546 million; in 1965, $1,675 million; in 1966, $1,862 million; in 1967, $2,081 million; in 1968, $2,391 million; in 1969, $2,774 million; in 1970, $3,183 million; the banks are making a remarkable progress; however, it is very surprising that they are not restricted to quotas; only the farmers who milk the cows are being imposed quotas. In 1971, $3,563 million; in 1972, $4,104; in 1973, $4,699; in 1974, $5,297; in 1975, over $4 billion and in 1976, $4,600.

Mr. Speaker, more than $45 billion Canadian in Canadian taxes have been paid to big Canadian finance from 1963 to 1976. Indeed, 94 per cent of the interests on the national debt is paid directly to banks because 94 per cent of the bonds, the liabilities of the federal and provincial governments, are held by Canadian banks and 6 per cent is held by corporations or individuals. To those who would have me believe that if the Bank of Canada should finance interest-free the provincial, municipal, school and federal bonds, it is the low-income earners, the poor who will lose the interests, I say that it is utter nonsense when 94 per cent of the interests on the public debt is now paid only to banks in Canada. And at the same time, as *Maclean* magazine reported on December 15, 1975, the Royal Bank increased it s profits by $86 million, the Imperial Canadian Bank of Commerce, by $93 million, the Bank of Montreal by $81 million and the Bank of Nova Scotia, by $64 million.

Mr. Speaker, I could go on indefinitely. This budget clearly demonstrates that the Minister of Finance does not control finance in Canada. He should be the one to dictate the monetary policy to the Bank of Canada, and the chartered banks should follow the orders of the Bank of Canada following the recommendations of the Minister of Finance. Unfortunately, we find that 26 per cent of municipal budgets comes from property taxes and that 25.3 per cent of municipal budgets is assigned to interest payments to the chartered banks. I say again, because those figures are fantastic, that as reported in the *Revue municipale du Québec* and other provincial magazines, 26 per cent of municipal budgets comes from property taxes and that 25.3 per cent is assigned to interest payments on the public debt, in other words there is a 1.3 per cent gap in municipal budgets between paid interests and collected property taxes.

● (1720)

Mr. Speaker, that is further evidence that our financial system is sick and the Social Credit Party has a solution to that problem. From 1973 to 1974, interests on the public debt, as I said, increased by 270.2 per cent. And as I just mentioned, interest charges for 1976-77 will reach approximately, as shown in the budget, $4.6 billion, that is $12.6 million a day, $500,000 an hour. Presently in Canada we pay $500,000 an hour in interest on the public debt, half a million an hour in interest, 24 hours a day, 365 days a year; that is what we pay to the banks to make money instead of using the Bank of Canada to finance our own public outlays as the Social Credit Party has always advocated in the House. This means that within 72 days, only with the interest on the public debt, we could wipe out the Olympic Games' debt that is causing so much fuss. We suggest that the Games' debt is of the order of $1 billion. This means that within 72 days, with the money given to the banks, because the banks finance our federal bounds we could save enough by using the Bank of Canada and without paying any interest to wipe out the public debt.

Mr. Speaker, in the province of Quebec, according to the Canadian Tax Foundation magazine *Provincial and Municipal Finance 1975*, on page 57, our international balance of payments on the automobile trade alone registered last year a deficit of nearly $5 billion:

[*English*]

Of Quebec's $3.4 billion in outstanding bonded debt at March 31, 1974—

The latest year for which I have figures is that ending March 31, 1974.

[*Translation*]

These figures are not up to date since they were released two years ago—

[*English*]

$2.9 billion was in negotiable bonds, $326.6 million in Québec Savings Bonds, $131.6 million in federal employment loans and $35.6 million in Canada Pension Plan fund bonds. Negotiable bonded debt was payable in the following funds: $2,154.2 million in Canadian, $646.5 million in United States, $87.1 million in Federal Republic of Germany, $25.2 million in French, and $32.7 million in Japanese. Other loans outstanding included funds advanced by the federal government for Expo '67, $6.1 million and under the special areas agreement, $74.5 million; funds advanced by the Bank of Nova Scotia, $36.2 million. Other direct debt totalling $97.6 million included debt assumed by the province on behalf of the following entities: Montréal Metropolitan Boulevard, $39.5 million; universitarian institutions, $46.6 million; Québec Municipal Commission for the settlement of school debts, $2.1 million; Institut de microbiologie et d'hygiène de Montréal, $4.4 million; Hôpital St-Luc, Montréal, $4.7 million.

[*Translation*]

Mr. Speaker, I could carry on like this for a long time.

According to the same magazine, page 56, the provincial debts for the year ending March 31, 1974 had reached $11,406 million, indirect debts $17 billion, bonded debts assumed by provincial governments $15,203 million, and this does not include debts for education.

Mr. Speaker, I want to apologize and I am going to try to conclude as quickly as possible but I would like to draw your attention and that of my hon. colleagues on a book which has been published in November 1975 not, to my knowledge, by a Socred but by one of the best journalists in Canada, Mr. Peter C. Newman. I believe that several members of Parliament know of this book which is entitled *The Canadian Establishment*. This book presents an extraordinary documentation. Perhaps the organizations of our two traditional political parties will not find that it is in their interest to promote this book because it brings to light a wealth of information which is extremely valuable and which shows that in Canada we no longer live in a system of free enterprise, in a system of competition and in a system of private enterprise. This book makes one understand that one lives in a system of monopolies. Peter C. Newman mentions that 100 directors of Canadian banks control 1,022 companies: 35 Royal Bank directors control 471 companies, 31 Imperial Canadian Bank of Commerce directors control 317 companies, 16 Montreal Bank direc-

tors control 178 companies, 4 Toronto-Dominion Bank directors control 56 companies, 14 directors of other banks control 180 companies. All told, 100 directors of various chartered banks control 1,022 Canadian companies.

I would like to quote him just on the subject of insurance to demonstrate that the Canadian banking system and the production system are one unique monopoly system with finance on one hand and on the other hand the same individuals acting in the consumer industry where for example one can see a Royal Bank director controlling Dominion Stores and Steinberg—production on one side and consumption on the other.

I want to quote what Peter C. Newman has to say about insurance. I say that this book is extremely valuable and I intend to use it often. On page 105, he writes:

● (1730)

[*English*]

The bank boards distill business power. Among them, the three hundred directors hold more than three thousand directorships of corporations with assets totalling $700 billion.

The bank directors are drawn from the corporate clusters interconnected with each of the banks. All but four of the top one hundred Canadian bank directors (ranked on the accompanying table according to the amount of the corporate assets with which they are involved) sit on the boards of the three largest banks. Each bank maintains special relationships with these client-directors and also with selected underwriters, law firms, auditing houses, trust and insurance companies. Some sixty-three bank directors sit on the boards of Canada's sixteen largest insurance firms, which control 83 per cent of their industry. Here is a tabulation of the extent of interlocking between banking and insurance boardrooms:

[*Translation*]

I shall mention only one: 14 banks directors sit on the board of the Sun Life Company. One could keep on reading this book: it is quite valuable. To prove the interlocking or the banking and production monopoly, we read this on page 115:

[*English*]

Mr. Herbert: Mr. Speaker, on a point of order, I wonder if in fairness to those who are following the speaker would indicate for just how long he intends to continue with his speech?

[*Translation*]

Mr. Rondeau: I had intended to continue for another seven or eight minutes, if that does not displease my hon. colleagues too much. I would appreciate more time: there are so many other good things to read here that I could spare hon. members quite a lot of reading time.

[*English*]

The banks will not disclose any figures on how high a proportion of their credit is extended to their own directors. The only estimate ever published was in the report of the Royal Commission on Banking and Finance, which appeared in 1962. It stated that about 30 per cent of all authorized credit lines of $100,000 or more were "to directors, their firms or corporations of which they were officers or directors."

[*Translation*]

Mr. Speaker, if one keeps on reading that book, one gets a clear picture of the banks and the companies they control and soon realizes, as I did, that our system is one of monopoly, of production, and of finance from which we cannot extricate ourselves. When, for instance, workers go on strike to get a raise of, let us say, $20, after a one-week strike and a settlement, they get their $20 increase in their pay envelope. The man who granted the increase in salary is the same one who controls, directly or indirectly, the cost of food at Dominion's or at Steinberg's. That is why, in our present-day system, strikes lead to absolutely nothing because we are part of an economic system where production and finance operate on a closed circuit. This is what the right hon. Prime Minister had to say about it on January 1 last, and I quote:

[*English*]

The free market system in Canada does not exist any more.

[*Translation*]

He was absolutely right: the private enterprise system, the free enterprise system, does not exist any more in Canada. He was right. He is still right. But the same government deeply regrets that we have no competition system and no private bussinesses any more in Canada because they gave a few individuals the power to build an economic empire where finance, production and consumption are controlled.

Mr. Speaker, I regret that I do not have more time to continue my remarks because I have always been particularly interested in finance. I am convinced that it is not possible to make social and economic reforms without giving first our attention to the area of finance. Today, the federal governement, the government which is or should be sovereign, is at the mercy of financial instututions and in his book entitled *The Canadian Establishment*, Peter C. Newman proves that this system exists today. Thus, it is not by passing petty legislation and by changing some taxes that we are going to correct the situation.

For example, some years ago, a U.S. Senate subcommittee was asked to make an inquiry on trusts, monopolies and finance and at the end of the inquiry, the chairman of this committee, the Chief Justice of the U.S. Supreme Court said there was only one monopoly, namely the monopoly of credit; then we realized that Peter C. Newman said in his book that with one hand we extend credit to companies, generous credit through banks at a given moment this credit is withdrawn or restricted as far as these companies are concerned. It says in the book that banks grant credit to the tune of $100,000 or more to their own managers in order to purchase the controlling shares of the company. Problems have been created through the use of credit, the debit balance of bank accounts.

Mr. Speaker, I would have fantastic examples to give in Canada, but I know that at the present time in the province of Quebec a company must accept to be controlled by the banks or go into bankruptcy. Banks have a 40 per cent control over that company which has become a multinational company. The chairman of that company is reluctant to yield the controlling shares of the company to a group very well known in Montreal, Power Corporation, which wants to take over that company, and we know that Power Corporation has tremendous connections with the Royal Bank, as Peter C. Newman mentions in his book.

What struck me in the book by Peter C. Newman, Mr. Speaker, and I would not like to displease my hon. friends opposite, was to find out that most of the Anti-Inflation Board officials were at one time executives of Power Cor-

poration in the province of Quebec or in other subsidiaries controlled by Power Corporation.

Mr. Speaker, I do not understand how executives who were under the authority of Power Corporation can serve the interests of the Canadian people unless Power Corporation, through the AIB, wants to control small businesses so as to take them over eventually through the Royal Bank, which is behind Power Corporation.

[*English*]

● (1740)

Mr. Hal Herbert (Vaudreuil): Mr. Speaker, I rose on a point of order to ask the previous speaker, the hon. member for Shefford (Mr. Rondeau), how long he would be because possibly this is one opportunity we should take to revise our rules. I was in a similar position on another occasion when the right hon. member for Prince Albert (Mr. Diefenbaker) asked for a few minutes in order to finish his speech. At that time he continued for half an hour. The hon. member for Shefford took another 20 minutes. In fact he spoke longer than the representative of the official opposition when that gentleman made his remarks.

The hon. member for Waterloo-Cambridge (Mr. Saltsman), when he began his speech, said that he would forgo the luxury of rebutting the previous speaker, the hon. member for York-Simcoe (Mr. Stevens). I will give the hon. member for Waterloo-Cambridge credit for producing a speech in which he made some positive suggestions even if I do not agree with them. I shall not go over them simply because my experience is that socialists act completely differently when in office. This is well illustrated by the socialist governments in this country.

However, I do wish to deal with the remarks made by the hon. member for York-Simcoe. This is a luxury I do not think I can afford to forgo. His remarks were so full of platitudes, and so on, that at times I found it difficult even to credit them to the hon. member for York-Simcoe. He said that it is hard-working Canadians who pay for the government's spending program. I find that a little hard to take. Who else but Canadians will pay for the government's spending program, whether it be the spending program of this federal government or of any provincial government? It is a nice pat expression to say that it is the taxpayers who will pay. Whether it be the consumers or the taxpayers, someone must pay for whatever the government's level of spending may be.

He then went on to mention what he said amounted to $1 billion in spending cuts. Let us analyze some of these cuts. He talked about energy price increases. He spoke of the $1.05 and the 70 cents. He mentioned the ten cents levy put on by the government. He did not say that he objected to this.

He did not say that he supported one price. He did not say, if he was supporting one price, how he would set it up. He did not indicate whether he thought this was a good thing. He mentioned that we are spending $1.8 billion in price support in respect of oil in this country. He did not say whether he thought it would be preferable to let the price for gasoline and heating oil rise to the world price so that we would not have to subsidize gasoline and heating oil in this country. That would be one method by which we could save 1.8 billion. He did not mention that.

Mr. Stevens: You should read the speech. You missed the point.

Mr. Herbert: He talked of foreign markets. We know they are there. He did not make any specific suggestions about how to get greater access to those markets. He did not mention the competitive factor or that perhaps we should subsidize our exports to increase our exports. He just said the markets are there. Of course they are there. We could sell to them if we are competitive. One of the reasons we have not been able to sell is that our competitive position has somewhat decreased.

Then he had a real nice pat expression. He said that the family farm is an efficient unit of production. This should be good for getting some farm votes, so I shall repeat it. The family farm is an efficient unit of production. He mentioned that four tenths of the capital regulation is in the private sector and following that, because he wants to see capital generated, he spoke against profit control. I repeat that: he spoke against profit control.

I want every salaried worker in this country whose salary presently is under the wage guidelines of this country to take note that the hon. member for York-Simcoe spoke against profit control.

He wants to stimulate the economy to provide more jobs in the private sector. He did not mention the amount of money we should spend. He studiously avoided talking about any more spending although he mentioned several programs which would require an input of dollars in order for them to be effective.

He then mentioned the Post Office. This is interesting. He mentioned some figures, just as he has so often at committee meetings. I cannot miss this opportunity to talk about the hon. member for York-Simcoe and his performance in committees. He is what I call a flitter. Like a butterfly which goes from flower to flower the hon. member flits from committee to committee. On some occasions he will attend a committee meeting and make a proposal because, after all, as the official spokesman for the official opposition he must show that he has studied the estimates. He will make some amendments to cut the estimates to lower government spending.

I shall not read from the Minutes of Proceedings and Evidence of the committee but I would refer any interested member to the meeting of the Committee on Finance, Trade and Economic Affairs of May 4 when the hon. member suggested a cut in the budget of the minister of Finance (Mr. Macdonald). I shall not go into all the details, but there is an interesting point to this. He took a look at the estimates and made an assumption which was indicated to be false assumption. He then found himself in the ridiculous position of being a financial critic notwithstanding the fact that he really had not done his homework.

Mr. Stevens: Balderdash.

Mr. Herbert: The next item he mentioned was the $300 million that has to be raised by Crown corporations such as, for example, Canadian National. I did not really understand him. Was the hon. member suggesting that he was in

favour of having all the money for the Crown corporations raised by the Minister of Finance? After all he should be consistent. We should follow the same procedure for all Crown corporations. Would this not in some way dig into the independence of the Crown corporations? Would it not be contrary to what we are trying to do, for instance, in respect of Air Canada by separating it from Canadian National and making it independent? Would it not be wrong under those circumstances for a Crown corporation to be reliant on the government for its financing by having the government raise the money for Crown corporations?

● (1750)

He mentioned another little cut of $90 million. He wants to get rid of all the outside contracts. This has been the favourite theme of the Tory party. He says we can save all of that because we are going to improve the efficiency of the public service. Presumably all that work will be done by our present public servants with no increase in salary, and nobody extra will be brought in. It will be an additional load on these public servants. In the next breath he says that he would take another $50 million out of the public service—I do not know how. Will he reduce their salaries and have fewer bodies doing more work? He did not say, but anyway there is a nice, neat $90 million worth of extra work to be done by the public service and they will get $50 million less for doing it.

His next remark concerned the number of ministers. He does not want 29 ministers, he wants fewer. It occurred to me that not so long ago there was a Tory convention at which it was proposed that there be more ministries. I wonder has there been a change once again in the Conservative policy, or is this just the idea of the hon. member for York-Simcoe. If we are going to have fewer ministers—which is perhaps not a bad idea and I myself have suggested a different structure—if we have to get rid of some, which ones should be eliminated and which ones should we put together? No mention was made of that. The hon. member just said that there are too many ministers, that we should get rid of some, but he made no positive suggestions on this.

Then he went on to the subject of spending. He is going to let everybody share $350 million. We should give everybody a tax break, he says. That is a good one. I do not know where they money is to come from. He says it would come from some millions of dollars that he has decided to cut off spending, but as I listened to, item by item, I did not find any moneys in actual dollars. This was another of these figments of the imagination without any follow through. Despite that, the hon. member would like to distribute some of these moneys, and he would give a tax break to those earnings $16,000 and less. He is also going to give $100 million to the private sector to increase research. He did not go on to do much explaining about this, so I will put a question to him.

The pharmaceutical industry in this country has had some problems with research work. Is he suggesting that it might be a good idea to infuse some of his $100 million in the pharmaceutical industry so that perhaps this industry could do some of the important research that is presently being done in other countries, specifically in Ireland, where they get a better tax break than in this country, and also in the United States? He did not say, but at any rate he is keen on giving the private sector $100 million.

In the next breath he is willing to give another $25 million for medical research. That is a good one, of course, because everybody wants to find cures and prevent diseases, as he mentioned, and this ties in very well with the demonstration which we witnessed here last week at which, incidentally, this particular group was asking for $6.4 million. It occurs to me that if we are going to be popular, then why limit this to $25 million? There does not seem to be any sense in the figures. It does not tie in with anybody,s request. It might be one way of saying, "Let us give a handout to everybody while we are giving money away, let everyone share in the bonanza."

The hon. member for York-Simcoe mentioned small businessmen. He did not say what benefits were put in the budget for small businessmen but he mentioned the horrors of filling out government forms. His way of solving this problem is not to suggest a specific form which may be unnecessary. Incidentally, may I say here that to every businessman who has written me on this subject I put these questions: What specific form do you object to? Will you send me a copy of that form so that I can explain to you why it has to be filled in and can get your response? I can say that although I have posed this question to every businessman who has complained to me about filling in forms, I have still to receive the first form.

In the next sentence the hon. member for York-Simcoe went on to complain about interest rates which are 3 per cent higher in Canada than in the United States, he maintains. He did not say anything about the fact that we need capital in Canada, nor did he say that the reason for higher interest rates is that money is coming into Canada and that interest rates have to be higher here than in the United States to attract the capital we need. He did not mention if there is a real effect on, for example, construction.

We have heard a lot said about construction and interest rates in this country, but it is quite interesting that although mortgage interest rates in Canada at present are nearly 50 per cent higher than rates in the United States, housing starts in Canada per capita are twice as great as in the United States. The United States, with all its wealth and power, is only building shelter at half the rate on a per capita basis that we are in Canada.

I should mention another thing also because there has been another Tory theme proposed many times, namely, that mortgage interest be deductible for tax purposes. It is deductible in the United States. How is it, since interest rates are so much lower and since the interest on mortgages is deductible for tax purposes, that there has not been the stimulus in housing that he seems to indicate would occur if the same situation prevailed in Canada? I suggest that there is not too much wrong with the housing program in Canada at present. The government's housing programs have been highly successful, and are certainly nothing to be ashamed of in this country in so far as the number of houses we have built in recent years is concerned.

The hon. member for York-Simcoe, the official Conservative financial critic, was complaining in a Toronto *Star* report on March 26, 1975, that the November, 1974,

budget did not provide a sufficient stimulus to the economy and that a new budget is needed. "It is needed now more than ever," he stated. During the debate on the June, 1975, budget in which a stimulus was injected into the economy, the same hon. member contended that major cuts should be made in government spending so as to reduce both the government's budget deficit and its cash deficit, which would of course reduce the amount of economic stimulus.

Up to the time of the May 25, 1976, budget the same Conservative spokesman continued to call for an imposition of restrictive fiscal and monetary policies, but after the budget the hon. member for York-Simcoe appeared to want to go both ways at the same time. He contended on television that there should have been a cut in government spending, a cut in taxes for those in lower income brackets, and a cut in the deficit.

Mr. Stevens: That is what I said today.

Mr. Herbert: In starting the debate on Thursday night he criticized the budget because it failed to make a commitment to provide real economic growth this year of 6 per cent and to bring about a reduction in employment.

Mr. Stevens: What is wrong with that?

Mr. Herbert: May I ask the hon. member to explain by what sleight of hand he proposes to pull off this amazing piece of fiscal magic whereby government spending is reduced, taxes are reduced, and the government's deficit is reduced, but the growth of output and employment is increased?

Mr. Stevens: Because the private sector is given a chance.

Mr. Herbert: May I call it six o'clock, Mr. Speaker?

Mr. Deputy Speaker: It being six o'clock, I do now leave the chair until eight o'clock tonight.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Herbert: Mr. Speaker, when I stopped at six o'clock I was pointing out that the totally contradictory position espoused by the hon. member for York-Simcoe, the financial spokesman for the Official Opposition—I notice he has disappeared since the supper break—is the ultimate in economic nonsense. Apart from some brief reversals of position in the past the Conservatives have advocated the adoption of tight fiscal and monetary policies since 1974, from the time the economy was heading into a slump as a result of world-wide recession, and throughout that period. Now that the economy is pulling out of recession the Conservatives seem to be advocating the adoption of restrictive expansionary economic policies.

● (2010)

If the government had followed the course advocated by the Conservatives over the past few years, Canada would undoubtedly have suffered a more severe and prolonged recession than that of any other major industrial country, and unemployment today would certainly be at the double digit level.

The latest position of the Tories seems to involve jamming down hard on the accelerator and the brakes at one and the same time so as to achieve the best of all possible worlds. They call for the injection of massive stimulus to hasten the growth of output and employment. If there was any lesson to be learned from the hard experience of the earlier years of the 1970's it was that trying to push the economy ahead too hard and too fast only laid the groundwork for future inflation and recession.

Let me mention, in the few moments remaining to me, some of the main spending programs not touched upon by the hon. member for York-Simcoe. Some two thirds of the government spending programs which he has been criticizing in such broad and general terms today involve money transferred into the pockets of individuals—such as old age pensions, veterans' pensions, subsidies for bread, or money transferred into the pockets of other levels of government. Moneys are transferred as a result of the payments made by the Department of Regional Economic Expansion, and huge sums are spent in equalization payments. I recognize that the hon. member for York-Simcoe comes from the rich province of Ontario, but he did not mention whether he approves or disapproves of the transfer of these federal funds to the "have not" provinces; he did not mention whether he approves or disapproves of the large sums already put into the housing programs to increase even further the building of housing that is presently taking place. He made no mention, for example, of the large sums being spent on training programs for the unemployed.

I note, for example, that Canada has had and continues to have the most rapidly growing labour force in the western world. Each year over half a million young people leave school and enter the labour force. Once there they experience major employment difficulties—younger workers account for nearly half our unemployed.

Our adult training program is now considered one of the largest in the world on a per capital expenditure basis. In 1975 over 80,000 people, a number equal to 2 per cent of the labour force, successfully competed training. Expenditures on the program in 1975 amounted to more than $475 million. Does the hon. member for York-Simcoe approve or disapprove?

When he was talking about the cost of the Post Office he did not mention that only 9 per cent of all the material going in and out of the Post Office is private mail. He did not mention the multimillion dollars subsidy that goes to business as a result of the Post Office deficit. He did not suggest that we should substantially increase postal rates to remove that subsidy to the businesses he has been supporting so well.

Mr. Stevens: Just run it efficiently.

Mr. Herbert: He did not mention the large sums of money for cultural spending. He did not suggest it might be a good idea to cut back on cultural programs.

Mr. Stevens: Do you?

Mr. Herbert: He did not suggest that we are spending too much money, although some people think that we may be. Only 11 per cent of the total television viewing time is through CBC channels.

He did not mention the large sums of money being spent on foreign aid for the Third World and CIDA.

He did not mention one of the favourite whipping boys of the official opposition, the bilingualism program, particularly in view of the recent comments of Mr. Spicer. Of course these moneys are being spent to try to make Anglophones bilingual.

He did not mention welfare and all the moneys transferred to the provinces. He did not mention that his party seemed to be opposing some limitation on the moneys being spent on these programs by the federal government. He did not mention indexing, which is one of the reasons why the federal government expenditures are increasing. He did not say whether he approved or disapproved of the fact that some of our best programs, pension programs, for example, are indexed. He did not mention specifically any of the government programs in a fashion in which we could judge whether the Conservatives were for or against them.

One of the things quite obviously we have to be very careful of is labour cost's going up and making us less competitive. Figures show that in the last five years in the United States total labour costs per hour have gone up by some 43 per cent; in Canada they have gone up by some 77 per cent. This indicates that whereas we had an edge on labour rates five years ago, today we are lagging behind. Figures show that on a per unit basis we are running 3 per cent or 4 per cent higher than the United States.

In introducing the budget the Minister of Finance said:

> The world economy is launched on recovery from the worst recession since the great depression of the 1930's. As an exporting nation, Canada was bound to be affected by the slump among its trading partners.
>
> Yet the performance of the Canadian economy during this period in terms of output, employment and real incomes has been better than virtually every other industrial nation.

In other words, Mr. Speaker, the Tory party are just preachers of gloom and doom.

Everyone has read negative comments in the mass media. Different interest groups have adopted a defeatist attitude. The government urges everyone to stop being pessimistic. To demand that the anti-inflation program be abolished even before it is applied, to be on the look out for anything that can discredit it, and to break off talks with the government, are clearly negative attitudes.

The government urges everyone to consider objectively the economic situation of Canada, the problem of inflation, the inequities it creates, the groups it penalizes, and the means we have to deal with it. The government has warned that the evils of inflation can only get worse if effective measures are not adopted. It was not afraid of becoming unpopular when it warned that the program might involve a degree of rough justice and that it might cause hardship in some instances.

The government has shown leadership, Mr. Speaker. It invites everyone else to do the same. Forget the critics and the pessimists. Be positive. Be proud we have so much for which we can be thankful. A constructive attitude will speed the return to an inflation-free, full employment economy.

[*Translation*]

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, I would like to start by saying that from the remarks of the hon. member for Vaudreuil (Mr. Herbert), the people might wonder whether the hon. member for York-Simcoe (Mr. Stevens) is the Minister of Finance. Unfortunately for Canadians, that day may come!

After bringing down five budgets, one of which was rejected by Parliament, Mr. John Turner resigned as finance minister. During his mandate as finance minister, the real economic growth dropped from about 6 per cent to near zero. The trade deficit increased tenfold. Inflation jumped from 4.8 per cent to 10.8 per cent. Over 145,000 additional workers found themselves jobless and federal expenditures doubled.

After putting up with so many economic troubles, Canadians were entitled to expect an improvement in their economic position. Hemmed in by the limits of the anti-inflation program, the people wanted to see the light at the end of the recession tunnel. Canada needed renewed confidence in the future. And good federal leadership could have given it to them. That will be for 1978.

In his first budget speech since he became Minister of Finance (Mr. Macdonald) he showed he was just as incapable as his predecessor. Instead of alleviating the problem of inflation and unemplomentent he Minister of Finance only promises a situation that is barely improved, that is an unperceivable improvement in the rate of inflation and a rate of unemployment that will still remain high. Instead of taking Canada out of the recession the minister proposes a pious game whereby increased trade with other countries, more specifically the United States, will put an end to the recession. He therefore sheds his responsibility to work at maintaining the rate of real growth of the economy. And instead of inspiring trust by showing federal leadership, all the minister provides is uncertainty about the intentions of the federal government and total renouncement of its leadership in the fight against inflation.

This budget is impregnated with inability to meet the expectations of Canadians. Government expenditures are a good example although the paper "Fight against inflation" suggested federal expenditures would not grow at a greater rate than economic growth. The information contained in the budget indicates an increase in federal budgetary expenditures of 16.3 per cent for the fiscal year 1977 over the fiscal year 1976 while the economic growth for the year 1976 will be 14 per cent.

The minister managed to reduce his estimates on expenditure increases to 14 per cent during that period using those very same obscure accounting practices made famous by the President of the Treasury Board (Mr. Chrétien). The increase in federal expenditures was minimized with

two kinds of subterfuges. First, expenditures for the fiscal year 1976 rose by $725 million more than the final budgetary estimates brought in by the President of the Treasury Board. That increase was not caused by unforeseen costs but rather a voluntary policy of stepped-up non-budgetary expenditures.

Second, this government excluded from its books the financial needs of two Crown corporations to arrive at the illusory saving of $300 million. If those little games with figures had not taken place, that is if the whole activity of supposedly cut back non-budgetary loans put back in time or destined to disappear under another method had been properly charged to the accounts, federal expenditures would have soared by more than 16 per cent.

● (2020)

The minister wanted to prove to the Canadian people that he had nothing to do with this excessive spending, which he did not say to Canadians. To clear himself, he had to confuse the figures. The 16 per cent increase in federal spending stands in sharp contrast against the restraint applied by other sectors of the economy. For instance, let us consider the labour sector which is restricted to a maximum wage increase of 12 per cent; let us consider the business community which is forced by these estimates to limit its profits to 85 per cent compared with previous levels; let us consider the provinces which keep their spending increases at 11 per cent; let us consider the Bank of Canada which succeeds in maintaining the money growth at about 10 per cent. The financial critic for the Progressive Conservative party, the hon. member for York-Simcoe (Mr. Stevens), in his preliminary remarks on the budget, summarized the situation in more or less the following terms:

Although the federal government is asking all Canadians to participate in the anti-inflation program, it has carefully excluded itself from participation. This is another example of the lack of leadership of the part of the government and deceived of expectations: the failure by the Minister of Finance to commit himself to correct the losses in the economic growth which Canada has experienced for the last two years. In terms of long run economic yield, the real GNP was $7.7 billion below potential in 1975, after allowing for inflation. Such a decrease in relation to potential means per capita a loss of $339 in real GNP. Faced with such a considerable loss, all the minister of Finance has to say he hopes trade improvements will bring actual growth up to 5 per cent this year. We hear from him no long term commitment for compensating the losses faced by all Canadians.

In fact, he ventured no growth projection for the coming years. Because the economy was allowed to bog down in such a dangerous way, Canadians have experienced tremendous losses in potential jobs, revenue, productivity and well-being. If nothing is done now to recoup those losses, they may very well become of a permanent nature. That the minister should acknowledge those losses without doing anything to straighten them out is one of the great tragedies in this budget.

There are relatively few measures of a true budgetary nature in this budget. As a matter of form, some tax reductions were included for the average taxpayer, and the tax burden of small and medium firms was somewhat alleviated. Some changes were also made for energy conservation purposes. This is all very well, but the bulk of these measures certainly have no real significance, considering that they represent a reduction of only $75 million in government revenue, whereas the total revenue increase will reach $4.5 million for the current year.

Once all the rhetoric is taken out, this budget offers Canadians nothing to indicate that the federal government is ready to practice restraint. Nothing for recouping the losses in actual growth, nothing for housing, nothing for agriculture, nothing for productivity, nothing in the way of jobs, nothing to eliminate regional disparities. In other words, discounting the bad news in the budget, one is justified to ask, as did the leader of the official opposition (Mr. Clark), why the Minister went to the trouble of introducing it.

I would now like to comment on some of the more specific aspects of the current economic situation, which are of great concern to me. The first aspect is unemployment. There are now upwards of 760,000 Canadians unemployed. During the year 1975, we had an average of 697,000 unemployed. The fact that more and more Canadians become jobless is in my view a new and very inauspicious trend.

● (2030)

Indeed, since December 1975, almost 50,000 more Canadians have been looking for a job. Will this figure grow? I do not want to sound like an alarmist, but I am afraid it will. In his budget speech, the minister said he expected that more than 250,000 jobs will be created in 1976. This figure seems very impressive. I feel I still have to ask the following questions. The first one is important enough: how can the government increase the number of jobs when, in the Department of Manpower and Immigration and in Statistics Canada, people are being laid off and told there is a lack of work. I wonder if those people will be put on the minister's list of new jobs; I hope so in any case.

And in another aspect, I would like to ask the minister in what industry, in what province, these jobs will be created. And moreover, a question of so great importance: will these jobs be enough to allow first-time job seekers to find employment? Where will these jobs be created? The budget speech does not give any indication of it, nor does the reply given by the minister of Finance (Mr. Macdonald) to our spokesman in financial matters. The minister does not know either. Where are those incentives in the budget which would allow industry to generate jobs? Certainly not in the anti-inflation program where it is stated that profits should be maintained at 85 per cent of their preceeding level. Certainly not in this insignificant cut of $30 million allowed to small and middle-size industries.

Those jobs may come with export industries which the minister expects will experience a miraculous recovery in the coming year but export industries expected to recover during the year are those which export our resources and not our manufactured goods. It is a well-known fact that industries in the primary sector contribute far less than those in the secondary sector to job creation. This is why I am convinced that little employment will be directly creat-

ed by the recovery of industries which export our resources.

Can we expect any recovery from Canadian industries exporting manufactured goods? I hope so, as this area can certainly be largely improved, but the minister has already informed Canadians that the manufacturing industry has lost all competitiveness in the international field. An illustration in the economic review of the Department of Finance clearly demonstrates today that even manufacturers are not competitive. How could this industry create employment when it is not competitive?

I am not enough of an expert in the financial field to be in position to criticize the minister's forecasts concerning job creation. I have my doubts and I think they are justified. What I ask the minister is to explain how he can expect to create 250,000 new jobs considering the present economic situation and the proposed budgetary policies. I wish, and I think that the Canadian people wish it too, to be convinced of the validity of his projections and of the fact that the minister does not raise false hopes in the minds of Canadians.

In what areas of Canada are those jobs to be created? Are they going to be created in the wealthy and affluent provinces? This will not solve the problem of regional disparities? In my own province, Quebec, there are 224,000 unemployed accounting for 8.3 percent of the manpower. Even if a third of the 250,000 new jobs which are to be created this year were directed to the province of Quebec tomorrow morning, the unemployment rate in my province would still be over 5 percent.

Such an unemployment rate would still be unacceptable in my province, but even more so is the fact that Quebec will probably go through another year with an unemployment rate much higher than the national average. If the minister has the courage to tell Canadians what industries will create these jobs, I hope he will tell us as well in what provinces these jobs will be opened. I want to hear from the minister whether the inflation and recession that took place recently in this country have increased regional disparities.

I asked earlier if 250,000 new jobs would be enough to prevent the unemployment rate from rising if not to reduce it. He says that all these jobs will be created but he does not say anything about the number of new workers who will enter the labour market. If we knew the growth rate of the labour force, we could say whether there will be more people searching for a job than new jobs created. A projection of the growth of the labour force provided by the Conference Board in Canada referred to a little more than 310,000 people. On this basis, it is obvious that the minister tries to tell us that even though 250,000 new jobs will be created, 310,000 people be looking for work, which means a net increase of 60,000 unemployed people. This means that the unemployment rate will go up in 1976. However, in his budget speech, page 32, the minister states that "the rate of unemployment will continue the recent level trend in the near term". Can he explain this statement? After all, the livelihood and welfare of several thousands of people are at stake and I do not think he should play statistical games with the Canadian people.

I would like to deal with another matter in my speech today, in relation with the above. There is nothing in this budget that will assist the workers, the backbone of our economy and our greater resource. According to the guidelines brought forward by the present administration in its "Fight against inflation", workers wages are frozen at a maximum increase of 12 per cent. According to the minister, page 11, "compliance with the program is widespread". Well, the worker is therefore following the wage control and showing personal restraint. But what is he given in exchange? In this budget, the minister is only providing for another $15 million in deductions for child care costs. It also offers $60 million in cutbacks for those who make important investments in retirement pension plans, but how many average Canadians can, according to their salaries, take advantage of such a policy?

Most Canadian consumers must face higher provincial sales taxes, higher property rates, sickness insurance costs, education taxes, and other costs. I do not blame the federal Minister of Finance (Mr. Macdonald) if the provinces need revenues, but he must surely notice that higher taxes reduce the net salary of the worker. Why does this budget provide no advantage to the worker to incite him to comply with the salary freeze? Not only is there no advantage for the worker but the worker whose salary is freezed must tolerate a 16 per cent increase in government expenses. The rules of the federal government apply to everyone except itself.

This budget is highly incomplete and much too shy; that is the least one can say. I am sure that in their speeches my colleagues will know how to demonstrate all its inadequacies.

Mr. Speaker, I would like to deal with a last subject before I resume my seat. I would like to join all those who protested against the cutbacks this government made in the funds allocated to medical research. Even for a government which says it is interested in cutting its expenses, such a cut makes no sense at all and it is like going backward.

The present administration complained many times about soaring health care costs. In my opinion, it is more reasonable to spend money to try to find the best means of protecting health than to cure diseases which could have been prevented. Obviously such an approach would give results in the long run. At least it would be a slightly more humane and more enlightened way of dealing with such an important and vital field as medical research.

As I said in my previous remarks, this budget is a source of disappointment. It contains innumerable shortcomings and, on the whole, creates only confusion. The least we can expect from the minister is that he clarify the misunderstanding that surround his estimates. When the minister has the opportunity again to take part in this debate, or when his colleagues speaks, I hope they will tell us where all these jobs come from. Will there be enough of them? I hope they will point out those aspects of the budget and concern themselves with the workers. I shall not be the only one to listen to the answers of the minister.

The people in my riding, in my province and in my country will do the same. Suffice it to say that the impression the people are left with today, about the budget, impression that I share with them, corresponds to a large extent to what Claude Ryan of *Le Devoir* said about it in his editorial this morning, and I quote:

Mr. Macdonald took care not so specify what amounts he hopes to recuperate through the new restrictions he will be proposing for eligibility for unemployment insurance benefits. One must wonder, however, whether it might not have been preferable to try to recover those amounts from the categories of high-income taxpayers who have all sorts of means at their disposal for sheltering themselves against the consequences of inflation. From that specific aspect, Mr. Macdonald's budget is disappointing. No other measure having otherwise been put forth to improve the lot of the small taxpayer, one must conclude that he will be, during the coming year, the main scapegoat of the federal government fiscal policy.

● (2040)

[*English*]

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I should like to give a little praise to the minister—

Mr. Stanfield: Not too much, of course.

Mr. Knowles (Winnipeg North Centre): Just a little.

Mr. Clarke: The minister has included a few things in his budget which the party I support has been advocating for some time. In particular I should like to refer to the adjustments to the unemployment insurance plan with special emphasis on the extension of the qualifying period from eight weeks to twelve weeks.

Mr. Hogan: Down in the maritimes you would not say that.

Mr. Knowles (Winnipeg North Centre): That is where he went wrong.

Mr. Clarke: I sense some opposition in the House, not only from my left but from across the way. Another thing I welcome in the budget is the removal of the dividend freeze and the increase in the deduction allowable under retirement savings plans. Lest the minister think we are altogether in favour of these changes I should like to make a comment about the ending of the dividend freeze. This is something I have advocated on a number of occasions and I should like to think the minister was listening sympathetically.

Large numbers of Canadians rely on dividends to a greater or lesser extent as a source of income. The minister could never explain how he expected retired people living on dividends to cope with the rising cost of living, which was not frozen, while relying on dividends which were frozen. I am sure pensioners will welcome the change, particularly if the minister can bring down the rate of inflation to something like 8 per cent, as he suggests he can. Of course the problem affects more than just pensioners—it affects pension plans in general, and practically every working person in Canada has an interest in a pension plan. I might add that practically every pension plan has an interest in the profitability of Canadian companies.

There is a factor in the dividend proposal, however, which I cannot understand. It ties in with the rate of profits which will be allowed. Corporations were allowed to earn 95 per cent of their previous taxable incomes but the proportion is now to be lowered to 85 per cent; profits must not rise above 85 per cent of profits during the base period. So we are now in the position of saying to business, "You cannot make as much money as you used to, but you may increase your dividends." I cannot see how a businessman acting in a proper manner can reconcile those two requirements.

Furthermore, having been a businessman before I came here, I have difficulty in understanding how a corporation is expected to control its profits. Volume plays a tremendous part in the profit picture. As one example I might cite the Bricklin Automobile Company; it certainly had no problem in controlling its profits because it did not make any, so the regulations restricting profits were not difficult for that company to comply with. But take the case of Chrysler Corporation—I recognize that this is an American company but I am sure there are many similar Canadian examples. The new models they put out in 1976, the Volare and Aspen, proved to be their salvation; the cars sold like hot cakes. How anyone can expect to control profits when a company is fortunate in hitting upon a hot sales object such as that, I cannot imagine.

With regard to the changes in the pension plan contributions, may I say they are certainly to be recommended and were long overdue. The pension plan legislation was introduced in 1970. I believe, and the limits set at that time have been unchanged ever since, so the increase of roughly 14 per cent was overdue. However, I would remind the minister that there is an extremely limited market for an improvement of this kind. For most Canadians the question is how to arrange to have a few extra dollars left over to invest in anything, let alone to put $3,500 or more into a registered retirement savings or a pension plan.

My hon. friend from York-Simcoe noted the fact that this budget would leave the little man bearing the burden of taxation. He quoted statistics which clearly support that contention. I should like to give another example because I feel the government does not understand the problems of the little man.

A few days ago we were debating the estimates of the Post Office Department in the House. At that time the Postmaster General (Mr. Mackasey) told us that the cost of first class mail would rise 50 per cent over the next year or so. He said that the average Canadian wrote only four or five letters anyway so the cost to him would be only 8 or 10 cents every year. I made a quick calculation before putting some questions to the minister and it seemed to me the increase in the postal rates was likely to be some $200 million. Dividing that sum among the population I found it came to more like $10 per Canadian than 10 cents. Put this into a family context and we shall probably find that the average cost of the projected increases will be more like $50 a year rather than $10, or 8 or 10 cents.

An hon. Member: What about the business mail?

Mr. Clarke: That is a point which was stressed by the Postmaster General. He said that 80 per cent of postal costs were paid by 20 per cent of the customers and, of course, he was referring to the business community. What he failed to explain was that the business community will pass the increase along to its customers. Business has a way of doing this because, after all, business has no money of its own—it only gets its money from outside. There is no other source of funds. Furthermore the increased costs to corporations are deducted in arriving at taxable income.

● (2050)

A sum, which could be estimated at approximately $100 million roughly as a part of that increase in the postal rates, will be a cost to the taxpayers through reduced revenue to the government because taxable incomes will be lower until the cost actually is passed on to the customers. When the minister was questioned on this he agreed—the error was 100 times; it was not 8 cents or 10 cents but $10 per Canadian—that my analysis was probably correct but said in defence that the Post Office deficit was also paid for by the little man. I will have something more to say about what is or is not paid for by the little man later on.

It is interesting that members who sit to my left and members who sit opposite do not understand that all the government's money is taken from the little man, the taxpayer. They do not seem to understand that the government has no funds of its own to spend and furthermore that the corporations have no money of their own to spend. It is all taxpayers' money. It is the individual who pays.

Another aspect in dealing with the little man is that wages in this country are not expected to rise by more than 12 per cent in the current year. Personal exemptions are indexed at a rate which I understand is 11.3 per cent, which is designed to take care of most of the effect of the increased wages. This too reflects on the tax burden of the individual. Yet the minister in his speech on budget night indicated that the yield from direct taxes on individuals is expected to increase by 26 per cent. I cannot reconcile how a small increase in wages of 12 per cent, which is supposed to be offset by the increase in personal exemptions, will result in an increased yield of 26 per cent.

We can look at that from another unexplained point of view. The minister said that the gross national product was expected to increase by between 14 per cent and 15 per cent in the current year. I cannot relate that to an expected increase in direct taxes on individuals of 26 per cent. I feel there is something wrong with the arithmetic the minister used in respect of his budget.

The hon. member for York-Simcoe (Mr. Stevens) referred to his suggested cutting of expenses and the suggested allocation of those savings. He indicated that $100 million should be applied to the relief of those Canadians who earn under $8,000 a year. The latest figures available in respect of personal income taxes are for 1973. They reveal that Canadians who earn—and this is the gross rather than the taxable income—an income of $4,000 or less paid $104 million in the form of personal income taxes in 1973. Those Canadians who earn what both the provincial government and the federal government declare is the minimum wage earn at the federal minimum wage of $2.90 per hour $6,000 per year, and at the provincial minimum rate of $2.65 an hour earn an annual income of $5,500. Yet in 1973 those who earned $4,000 a year paid $100 million a year in the form of personal income taxes.

There are other measures in this budget to which I would refer as housekeeping measures. At least I did refer to some of them in that manner until today. One example of what I call housekeeping measures would be the control of abuses in the operation of charities in Canada. I thought it was quite revealing that there are estimated to be 35,000 charities in Canada and that the annual contribution taken in by these exceeds $1 billion. I think it is fair to observe at the same time that the government makes an involuntary and indirect payment through forgiven taxes to that $1 billion since the contributors to the charitable organizations deduct the contribution in computing the tax payable. Of course the tax bracket would have to be taken into consideration. However, a large amount is involved.

Further there is the reduction of the capital cost allowances in respect of leased equipment, electrical generation equipment, and advertising signs. There are also increased write-offs allowed on roads, computer hardware, taxi cabs and a few other items. Today representatives of the leasing industry say that the result of their inability to make the normal deduction for capital cost allowance to which they had been accustomed will result in higher leasing rates. Very little arithmetic is required to figure out where the higher leasing rate will be directed in order to finance this change in the budget.

Another factor that has developed today is the higher tax on construction companies which operate heavy equipment. Because the capital cost allowance on heavy equipment has been reduced, the payments that heavy equipment operators receive for their work will be higher in the future in order that they can cover the higher tax bill that will result from the fact that they cannot reduce their incomes by way of capital cost allowance in the way in which they were accustomed.

Another housekeeping measure would be the increased deduction for child care. I am certain the minister experienced much pressure in this regard. Certainly there were inequalities and inequities existent in the realm of child care. The adjustment in respect of deductions for disabled persons and students probably was overdue.

Another area that has been given a great deal of attention by the minister involves the advantages of small business. The rate of 25 per cent on small business incomes is to be increased from $100,000 to $150,000 a year with an accumulated maximum of $750,000 instead of $500,000. I was disappointed to note that there is still no relief for small corporations which, for some reason or other, are deemed not to be in active business. If a business is deemed to be an inactive or investment-type business the small-business rate does not apply and it is taxed at the normal rate of 50 per cent. There seems to be no attempt to plug the loophole which allows a small active business that has achieved an accumulated income of $750,000 to be wound up, another company started up and permits the new one to receive more relief.

I think it would be more appropriate if the minister had given some kind of relief to small businessmen who for some reason cannot afford or do not wish to incorporate. If you operate a business without the benefit of incorporation, no matter how much income you realize you pay at your normal personal rate and there is no way in which you can accumulate funds for the expansion of the business. Many small businessmen feel they cannot justify the costs of incorporation and they have to go along with the rules as they were before.

There is another matter in connection with small business in Canada which needs attention and which was ignored by the minister in this budget, and that is relief for the businessman who operates an unincorporated business

and who wishes to employ a member of his family, particularly his wife. The salary for a wife is not an allowable expense, and that applies also to professional men whose wives may wish to assist in the office. I realize that there may be room for abuse there, but I do not think that that is any reason for the minister not having given consideration to this matter.

● (2100)

The hon. member for York-Simcoe also stressed the need to reduce the number of forms required to be filled and filed by small businesses. I suppose the problem is just as bad for big business, but at least big business has the staff and the expertise needed to fill out these forms in some manner that is less painful to big business than to small business.

If a small businessman cannot complete his forms on his own, he needs to employ professional help, such as lawyers or accountants, to help him in this area. The hon. member for York-Simcoe suggested that small businessmen should be paid a fee for each form they are required to fill out. I think that was a dramatic suggestion that the hon. member made, but I am sure he realizes that that might tend to increase the bureaucracy, and in fact another form would be required to be filled out in order just to get the refund or credit, as he suggested, for filling out forms. But the point needs to be repeated that the hon. member for York-Simcoe was making, that small businessmen need relief from this kind of government intervention in day to day business affairs.

Another area that was touched on in the budget was the write offs for the oil industry. I thought it was interesting that individuals are now to be allowed to write off 100 per cent of their exploration costs. It is interesting to note that the budget was silent on the treatment of development and acquisition costs in the oil industry. I am not sure how useful these provisions would be because in Canada, I suggest, there would be very few individuals who would go into the oil exploration business, which is a very high risk business requiring immense amounts of capital usually not available to individuals. However, there is the possibility of forming syndicates which result in a co-operative effort, and the individuals in the syndicate are treated as individuals for tax purposes.

As I said, the budget was silent on the matter of development and acquisition costs. I was able to get the latest figures available, which were for 1974. We find that in 1974 exploration expenditures were just over $900 million for oil, and development expenditures in that year were $600 million. Both of the figures are admittedly small when compared with the royalties collected from the oil industry in that year which were $1.3 billion, almost equal to the total exploration and development costs. The point is that fully 40 per cent of the total exploration and development expenditures have not been dealt with in this budget, and I feel the minister has done a disservice to the industry and to individuals who might wish to go into a syndicate to explore for oil which Canada and the world needs so badly when he failed to deal with $600 million figure in 1974, which undoubtedly will be larger in the current year.

Today I met some officers of a major Canadian oil company and I find that under the present rules, which were not changed by this budget, it is still better for a Canadian owned oil company to explore in a foreign country. This strange set of circumstances arises because the government has not given sufficient encouragement to Canadian companies to explore in their own country. The combined operation of world oil prices and government involvement by way of taxes and royalties has combined to produce a situation where Canadian oil is less profitable to the Canadian oil company than U.S. oil or oil from some other foreign land.

I was most disappointed with the budget for a number of reasons. I suppose I can summarize them and say it was because the budget in no way deals with the basic problem. I think it was called a stand pat budget, or a few other calm words like that. Certainly it was not much different from last year's budget in regard to the bottom line, so to speak. We have another deficit of some $4.5 billion. The government does not seem to realize—although the hon. member for York-Simcoe explained it very carefully, I thought, and certainly the hon. member for Vaudreuil (Mr. Herbert) did not agree—that the only way to balance the budget and to change things materially in this country is to cut down government expenditures. The government at the federal level is the only one that can control these things.

There is no way that any other government, any other corporation or business, or any individual could operate as irresponsibly as the federal government itself operates. In the budget the minister even ignored the advice of the Economic Council of Canada which earlier this year in a lengthy report had recommended that one of the solutions for the unemployment insurance dilemma was to create government jobs. There is no suggestion in this budget to create government jobs, and I sense from the feeling of the House that many members will have trouble going along with the proposed regulations on unemployment insurance cut backs, the extended period for qualifying, because of the situation in their areas. Certainly the government should have had a closer look at the creation of government jobs in order to cut down on the abuses, because if a man is offered and refuses a government job which has been created to fill his needs then he has no right to continued benefits.

One of the big expenditures still is the carrying charges on government debt, which I believe amount to $400 million, and yet there is nothing in the budget, and the government apparently continues to refuse to consider, any method that might reduce government investment and therefore reduce the interest charges contained in the budget. If we got rid of a few of these huge government investments we would find the annual deficits reduced on these various government enterprises. I do not want to go into a great deal of detail on these but I would like to mention a few examples. One of them is the hotels which CNR runs for no apparent need.

There are many hoteliers in this country who are able to provide adequate if not luxurious hotel rooms and make a profit at it. Our government requires the CNR to invest the taxpayers' money in hotels and, not only that, they create a loss and a cash drain every single year. I have asked before, and I repeat it now, that the government consider the reduction of investment in such things. I do not restrict

it to these ventures only; I refer also, for example, to the Canadian Broadcasting Corporation.

● (2110)

I do not think there is any reason for the government of this country to run a radio system or television system and incur huge losses every year. Those installations are a drain on taxpayers' capital, and interest and operating cost are enormous as well. Someone may well say that we would not have that service if we did not have the government providing it, but it is easy to point to telephone companies all across this country which are not government operated, and with licensing it is a simple matter to ensure that the licence holder provides service in unprofitable areas.

I deplore the investment of taxpayers' dollars in this country in public works. There are huge, huge investments. The Department of Public Works is the largest landlord in the country. There is no evidence to indicate that the department is able to provide space for government departments at anything like a competitive rate because there is not any competition. The stories of waste and inefficiency in that department are legend, and I think some examination of the problem in that enormous area is warranted, but we see none.

The Post Office bears consideration. There is a licensing possibility in the Post Office which is going to need over $1 billion in funds this year, and that is a questionable use of taxpayers' money when there is a huge deficit year after year.

I was interested to read and to compare two statements which I would like to read. One of them was by the Prime Minister (Mr. Trudeau). It was made in Ottawa in January of this year at the Canadian Club. The Prime Minister said—

The Acting Speaker (Mr. Turner): I regret to interrupt the hon. member, but his allotted time has expired. He may continue with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

An hon. Member: No.

The Acting Speaker (Mr. Turner): The hon. member for Vancouver Quadra.

Mr. Clarke: I had no idea that my time was—

Mr. Blais: Mr. Speaker, I rise on a point of order. When the consent was requested, I shook my head, and I did not wish the hon. gentleman to continue. The hon. member for Scarborough East (Mr. O'Connell) will be seeking the floor in order to contribute to this debate, and I think we should continue in that manner.

Mr. O'Connell: Never mind.

The Acting Speaker (Mr. Turner): Order, please. I would suggest that the parliamentary secretary should say no. I cannot recognize a head shake. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

Mr. Blais: No.

Mr. O'Connell: Mr. Speaker—

Mr. Clarke: Mr. Speaker, I rise on the point of order raised by the Parliamentary Secretary to the President of the Privy Council (Mr. Blais). I distinctly hear the question, but unfortunately we did not hear the headshake of the parliamentary secretary, and I would question the procedure of putting the question twice when unanimous consent has already been given.

The Acting Speaker (Mr. Turner): Does the hon. member for Vancouver Quadra (Mr. Clarke) have unanimous consent to continue?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. O'Connell: Mr. Speaker—

Mr. Johnston: Mr. Speaker, I rise on a point of order. This is the Parliament of Canada, not a gathering of Shakers.

Some hon. Members: Hear, hear!

Mr. Johnston: The only way a contribution can be made in this Chamber is surely by word of mouth and by voice, and I heard nothing at all when Your Honour put the question. With all due respect, the hon. member for Vancouver Quadra (Mr. Clarke) received unanimous consent to continue.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I listened to the debate, and I share the view expressed by the hon. member who has just spoken with respect to the shaking of a head. Moreover, if that was not enough, the hon. member for Scarborough East (Mr. O'Connell), being the gentleman he is and who would have been the next speaker on the list, rose and indicated that he was prepared to allow the hon. member for Vancouver Quadra (Mr. Clarke) to finish his speech.

Frankly, I do not think Your Honour made a ruling on the second and third occasion. I think, however, that Your Honour did make a ruling when you called upon the hon. member for Vancouver Quadra to finish his speech. That was the ruling you made, and I say that with respect. If that is the case, and if Your Honour agrees with that—and I hope you do, and I hope you agree with the spirit of good fellowship displayed by the hon. member for Scarborough East—I would ask that you allow the hon. member for Vancouver Quadra to finish his remarks.

The Acting Speaker (Mr. Turner): The Chair does not operate by sign language, and I suggest that the hon. member for Vancouver Quadra continue with his speech.

Some hon. Members: Hear, hear!

Mr. Paproski: Go shake your head behind the curtain. What a jerk!

Mr. Clarke: Thank you, Mr. Speaker.

Mr. Herbert: Mr. Speaker, on a point of order, there was more than one no, but apart from that I just point out that the reason we are not acceding to the request is the misuse which has been made by the opposition of the privilege to continue. On two separate occasions I have been held up, for half an hour while the right hon. member for Prince Albert (Mr. Diefenbaker) was supposed to be finishing a speech, and again today for twenty minutes while the hon. member for Shefford (Mr. Rondeau) was finishing his speech. I think the rules should be changed to allow two or three minutes for a member to finish his speech, but not a continuation for another speech on top of the speech already given.

Mr. Hogan: Mr. Speaker—

Mr. Deputy Speaker: Is the hon. member rising on a point of order?

Mr. Hogan: Yes, I am.

An hon. Member: He is infallible.

Mr. Hogan: Do you guys think that's funny? You get paid for it.

Despite the ignorance on the other side, Mr. Speaker, in making reference to a member of this House getting up on a point of order, and making religious overtones, I want to protest strongly that the rules as I have seen them used as a result of gentlemanly courtesy in this House ought to be extended to hon. members when they go overtime for a few minutes, and even though there was an abuse by an hon. member who has served as a prime minister of this country, and so on, that should not be a reason to stop somebody from having a few extra minutes, especially when we consider that Tuesday night we sat here for an hour and a half while outside the whole thing had been given to television and the press before hand, and a big farce was made of this parliament. Let the man go on for a few minutes.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: Order, please. I am given to understand that unanimous consent was given, and the only member who seemed to have opposed in time was an hon. member who shook his head. Only after the Chair recognized the hon. member for Vancouver Quadra (Mr. Clarke) so that he could complete his remarks did somebody stand up and raise the question again.

Rather than hon. members asking the Chair to read the minds of hon. members on both sides of the House, I think it would be very much more simple if we would allow the hon. member to complete his remarks within the next few minutes, and then we can proceed to another hon. member. At the same time I understand that some members might complain about some unanimous consent that they might have given in the past, or even this afternoon. But this is their choice and their responsibility. The Chair should not be put in a position where it has to decide how much reasonable time should be allowed to another member to complete his remarks. If consent is given to allow the hon. member to complete, I am sure the privilege has never been abused, so I think the hon. member for Vancouver Quadra should be allowed to complete his remarks.

● (2120)

Mr. Clarke: Mr. Speaker, I should like to inform hon. members opposite that I would have been finished several minutes ago if I had been given the opportunity. As far as the deputy House leader for the government is concerned, I would simply say that next time he should shake his head a little louder.

I was going to read two short paragraphs which I thought were significant, Mr. Speaker. One was a statement made by the Prime Minister in January this year before the Canadian Club in Ottawa. I should like to compare it with the statement made a few days later in the National Diet in Tokyo by Prime Minister Miki.

The Prime Minister said:

> The most pressing reality is inflation. The most urgent national need is for all of us to co-operate in making sure that our anti-inflation program works. An essential part of the program is to search for ways to make the economy work better in the future . . . ways which will prevent a serious recurrence of inflation, promote healthy growth, reduce unemployment, and reduce the need for imposed controls.

In the same month Prime Minister Miki of Japan said:

> We are surrounded by many pitfalls, recession, unemployment, and increasing prices. But we must promote economic development without inflation, without stumbling into any of these pitfalls, and we are determined to achieve this goal, without resorting to autocratic economic controls, by liberal and democratic means based on intelligence, forbearance and co-operation, of the government, corporations, labour unions and individual citizens.

I would end my remarks by saying that the problems facing these two great countries are similar. I think it is interesting that the Prime Minister of each stressed co-operation. It is obvious from this budget that the Government of Canada does not intend to seek co-operation in a meaningful way. That is evidenced by the fact that it announced cuts in expenditures, but in fact expenditures are going up by 16 per cent.

Some hon. Members: Hear, hear!

Hon. Martin O'Connell (Scarborough East): Mr. Speaker, it is a pleasure to follow the hon. member for Vancouver Quadra (Mr. Clarke). In my remarks I should like to refer to what appear to me to be some of the general questions arising at this time on the matter of economic management and I am going to include, to some extent, social management.

Before getting into that I want to add my words of congratulations to the Minister of Finance (Mr. Macdonald), and I want to do this, in a broader context than on this budget alone. The budget has, I think, been accepted by the public as pretty finely tuned to the needs in the economy of today. The general acceptance of it and the fact that it has been described by some as a neutral budget is in itself testimony to the broader economic policies set in motion by the minister and the government eight or ten months ago. To the extent, and I believe it is a significant extent, that the minister and the government have their role in managing the economy, the course has been well set, and this budget is not required to alter it in any significant way. I offer my congratulations to the minister on a general economic management role that I think is being carried out very effectively.

Some hon. Members: Hear, hear!

Mr. O'Connell: It is at that level that I should like to talk about some economic questions. I want to do it in the shadow, one might say, of the constitutional discussion that is again in front of us.

Some people look upon the shared-cost programs—the DREE type of program where the federal and provincial governments are quite closely interwoven in their economic and social activities—as reflecting intrusions of the federal government into provincial spheres. Other people might say there is so much ambiguity in our constitution that it invites this kind of intrusion and what we need is a constitution that has more clarity in it; that we want to get it back to Canada to change the respective legislative responsibility of the two levels of government; that we want to amend sections 91 and 92 to place the fiscal resources in the hands of those who have certain legislative responsibilities and, perhaps, change the whole level of responsibility. I am one of those who does not believe the latter course is necessary. I think the ambiguity itself of the constitution is one of the benefits of the Canadian Constitutional process for it permits the process in which the political dynamics are more important than the nice legal questions that arise when a constitution is clearly set out. That is a general reflection, Mr. Speaker.

When one discusses these questions in terms of the shared cost programs one finds that today there is the federal desire to put a cap on some of the programs. I am going to use the word capping to refer to the federal and, I suppose, provincial desire to bring some general control to the open-ended character of the shared-cost programs.

The other approach is for the provinces to say, "We want you to transfer tax points to us and let us clarify our jurisdiction; ours is the health jurisdiction; ours is the educational jurisdiction; give us the fiscal resources; let us disentangle ourselves from this rather ambiguous circumstance of shared costs."

We all know too well the arguments about pre-empting provincial priorities for me to try to repeat them here. I want to suggest that the capping process hopefully will succeed in bringing expenditures under control without leading to the disentanglement and the transfer of tax points to the provinces, since it is really the provinces with the greatest incomes where a transfer of tax points, one percentage point, for example, will yield the greatest revenues and that we are likely as the parliament of Canada to lose the capacity to perform the role of the parliament of Canada in inter-regional equities, was through the DREE program, for example, as through other shared-cost programs, and also the role of inter-personal equities through various programs that some would say are more logical in the provincial jurisdiction, such as, for example, family allowances.

I should like to make an argument to the House that capping is the right expenditure policy to follow, that it should not lead the parliament of Canada to agree to the disentanglement approach that some of the stronger provinces are seeking.

● (2130)

If we are to stay with the shared-cost approach, an approach permitted by our constitutional ambiguities, then we owe it to the provinces to make changes and not maintain a rigid stance. And here I criticize the government stance, as I understand it. It seems to me that if present legislation means that we shall have to put caps on shared-cost programs, we ought to be prepared to consider closely relevant legislation.

In introducing programs we have laid down rigid national standards to which we say the provinces must adhere. That is to say, we have asked the provinces to participate in high cost programs, when lower cost programs which would not be cost shared may have been available to the provinces. We are, in that sense, by passing rigid legislation, forcing on the provinces high cost programs which do not seem appropriate in light of over-all national policy. Instead of putting a cap on such expenditures would it not be better to introduce more flexible programs of the kind I mentioned? Would that not be more advantageous than puting a cap on expenditures?

I think, too, that capping, or tying these expenditures in areas of the national economy to the percentage increase in the gross national product obliges us to respond to provincial overtures for greater provincial participation in or influence on national economic policies. Surely if we have drawn provinces into social programs in fields of health, hospitalization, education and other fields which require high expenditure flows, we should give the provinces some assurance that the economic policies of the government will lead to economic growth and, therefore, that tax yields on provincial resources will be great enough to permit the provinces to meet the growth of their social programs. I say, therefore, that more than capping is required.

We need a closer interweaving of federal and provincial economic and social policies. I would add, and I am thinking in terms of the post-control period which is now being discussed, that there must also be a greater involvement in policy-making of the major elements of the economy, including the labour movement, the industrial sector, and the agricultural sector. Let us in general say that we must adopt a different approach from the one we adopted in the past when we thought too much in terms of the federal-provincial approach and neglected other elements of the economy.

All this is possible because of the ambiguities in our constitution. These areas are not so clearly spelled out that we can say that they are confined within certain jurisdictional boundaries. Our constitution makes possible a planning process under which some programs are centralized in one period, and decentralized in another. It permits a shared approach to problems of national significance and permits the government to play a role in equalizing income as between one region and another.

Our DREE programs are perhaps the clearest model of this process involving a sharing of policy formulation and management. Perhaps such programs will not do as models for other areas of concern, yet we should stop to consider what is taking place under DREE by virtue of the ambiguities in our constitution. One sees the provinces involved in the administration of programs; at the same time policy is developed jointly with the federal government, as is the management of some programs. I trust hon. members will agree that this is not happening because some provinces are fiscally weaker than others and have therefore allowed the federal government to act in areas under their jurisdic-

tion because they are weak. Instead we should see in such examples signs that it is possible to undertake, federally and provincially, joint planning in these areas.

I shall now raise what may be a heresy on my side of the House and ask hon. members to consider whether, when they talk about patriating the constitution, they are prepared to bring it back with the addition of a rigid amending procedure which allows various regions of the country a veto. It is possible that unanimous consent would be needed to amend sections 91 and 92. That might make no sense, until we remember that our history and experience show that these things do not matter all that much. Yes, there is in that ambiguity—I use the word again—room for us to come to a consensus through the political process. In that way we can develop programs which meet national concerns and which are sometimes under federal and sometimes under provincial jurisdiction.

Having levied criticisms at the federal government for not seeing this process as a two-way street, and having suggested that we are prepared for the sake of national objectives to participate in DREE programs, and that the provinces by allowing us to participate are allowing us to share in the management, development, and planning of policies which fall under provincial jurisdiction, I now ask are we prepared to let the provinces play a bigger role in over-all economic planning?

An hon. Member: That is a very good question.

Mr. O'Connell: Can we reach our social objectives by following that route? Perhaps we could respond to the opening the Minister of Finance gave us in his budget speech when he suggested that perhaps we might adopt a new approach to the budgetary process, and approach different from that of the past. I hope and trust that he was talking not only of secrecy in the formulation of the budget but also of greater federal-provincial collaboration, and of collaboration by other elements in the economy which play a necessary role. If there is any reluctance in this regard surely it is a reluctance of the federal government. We must ask ourselves why is this so?

Does the government feel, having followed for the last 40 years the prescriptions of the Keynesian approach to economics, that it cannot devolve the responsibility for fiscal resources to the provinces? Is that the reason? Or has the government felt that so great is its responsibility for managing the economy that it cannot permit the intrusion or intervention of provinces in the development of general national policies? In this regard let me allude to the industrialization of western Canada, and to the kind of policy which might emerge if there were greater provincial input in that particular area.

I now wish to refer to government revenues. Before me I have a table which shows revenues by level of government before and after intergovernmental transfers on a national accounts basis. If we go back 25 years to 1950 we find that the federal government's share, after intergovernmental transfers, was 61 per cent. Today that figure is 40 per cent. Clearly there has been a significant drop in the federal government's share of revenues, from 61 per cent to 40 per cent. In the same 25-year period the provincial share of revenues rose from 22 per cent, in round numbers, to 39 per cent.

● (2140)

Is our reluctance based on the fact that we feel we need all the control that is left at the margin so that the leverage we do have in fiscal and monetary terms does not have to be over-utilized in order to get effects on the national economy to perform a stabilization of growth? I do not think that is a satisfactory argument. However, there may be some validity to it.

It seems that the way out of the dilemma, if there is one, is to involve the provinces and other segments of the economy, as the Minister of Labour (Mr. Munro) is attempting to do in his tripartite Council to involve them in the process of policy development. I am sure it would be performed in a responsible way so that the provincial fiscal policies would be adjusted to some extent with national policies. The social policies at both levels of government could be in accord with some consensus as to the capabilities of the economy from time to time and the appropriate policies which would enlarge those capabilities, which must be both levels of government. The federal government cannot do it on its own nor can the provinces on their own.

What one sees happening is that over the past 25 years where we have seen a dramatic shift in the control of revenues between the two levels of government, the total spending of the state has risen dramatically. I have here a statistic that is important for the case I am trying to make—total expenditures of all levels of government as a proportion of the gross national product over 25 years. In 1950, 21 per cent of the gross national product was spent by the three levels of government. Today it is 41 per cent. Therefore the state as a whole plays a much larger role in the national economy.

The federal government's leverage in spending has been a reducing share while the others have grown, it might be argued from the point of view of a reluctant federal government to see more provincial participation in policy making. It might be argued that the provinces have so much control over fiscal resources now that they could frustrate national economic policies. They do have that leverage, but what they are asking for is to get into the national policy making where they could play a more responsible role than if we disentangle.

If we say, "Here are some tax points, go your way, this is your jurisdiction". I do not think that would not serve the best interests of the country as a whole because the problems arose in a comprehensive context. They arose in different ways in different regions. Therefore we must be implicated as a national government and they must be implicated because of their jurisdiction.

As I see it, the approach to the post control period lies in the fact that problems are more comprehensive. There is greater uncertainty with regard to policy because of the great degree of change and more interrelatedness between one thing and another.

We can only meet these difficulties by developing an institutional framework for a more interwoven process. We have a constitution that has sufficient ambiguities to permit this. We have experience in such programs as DREE plus the federal contribution to education, medicare, and hospitalization. We have all that background to guide us.

We have needs that involve both levels. The plea I make to the minister is that he not fall for disentanglement. Do not go that route. Instead, have an institutional structure that will permit capping to be the right process. The price is to make our legislation more flexible so that programs can change. The provinces should be able to choose lower cost programs over the most expensive ones because they happen to be cost shared. That would bring in a process of much greater involvement of all levels of government. In my opinion the problem in the past has resided in a rather reluctant federal process.

I again congratulate the Minister of Finance for opening that corridor, as it were, giving us that opening through saying I would like to look at a different approach. I hope that other members of the House will agree that it lies in federal-provincial action rather than disentanglement.

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, I wish to begin by congratulating the hon. member for Scarborough East (Mr. O'Connell) on his address. I was particularly interested in his latter remarks with regard to increased co-operation in an institutional way between the federal and provincial governments. He has brought to the attention of the minister and the House a very interesting and useful concept.

The past few years have seen the growth of regional difficulties and divisions within this country. This has caused a great deal of concern to a lot of thinking Canadians. I share many of the views of the hon. member for Scarborough East. This arises from the fact that I have considered this particular problem and possible ways of arriving at a solution.

One notion that intrigues me is the possibility of an institutionalization of the federal-provincial conference in a manner that might work toward accomplishing the sorts of goals the hon. member has brought to the attention of the House. I notice the minister paid attention to that address. I hope that tonight has seen the germination of an idea that will grow, bringing with it political institutions in this country that will better serve the needs of Canadians.

I am sure this is a first for me. After congratulating one member opposite, I move to congratulate the Minister of Finance (Mr. Macdonald) on one part of his budget. In particular I am referring to the amendments to the Income Tax Act as they apply to individual taxpayers investing in the oil and gas industry. This is in reference to the principal business test.

It may be of value to outline a bit of the history of this particular aspect of the Income Tax Act and the effect it has had on this country. There is a lesson there that we would do well to learn in order to prevent similar mistakes in the future. The Income Tax Act rightfully provides that when filing an income tax return and paying income tax, one must consolidate one's income. Otherwise someone who makes, say, two incomes of $5,000 from two separate sources and files two separate returns would pay less than the man who made $10,000 from one source of income, which would be unfair. That applied almost universally as a principle thoughout the Income Tax Act with one solitary exception, and that had to do with the oil and gas industry.

[Mr. O'Connell.]

• (2150)

In the oil and gas industry, if one formed a company and drilled an oil well and the hole turned out to be dry, that was an expense which could be deducted from one's income if one were in the oil industry. But if one were not in the oil industry as a principal business one could not deduct that expense from business income. This meant that fresh capital for the industry had to come from outside sources. In this respect Canadian law was unique, at least as far as developed countries were concerned. It had no equivalent in the United States or in Europe. The result was that Americans came to drill wells in Canada. Doctors, lawyers, those with discretionary income could use pretaxed dollars for this purpose, but Canadians could not.

This aspect of Canadian law more than any other single aspect is responsible for the oil and gas industry presently being 90 to 95 per cent foreign owned. It has been a source of grievance on the part of the oil industry for as far back as anybody can remember. It has been a grievance felt by the people of Alberta as far back as anyone can remember. Delegation after delegation came to Ottawa to seek amendment to this law. There are scores of examples of geologists coming up with what is called, in the terms of the trade, a "good play", seeking people willing to invest, but finding it difficult to interest Canadians, or, to put it in a more positive way, finding it easier to attract Americans to invest, with the result that a number of American millionaires were created—American owners of Canadian oil and gas businesses. This situation has been with us these last 25 years and, as I have said, it is the single most important reason for our oil and gas being largely foreign owned.

Finally, in the budget last Tuesday the minister removed that restrictive provision, and for doing so he deserves the thanks of all Canadians because it is a move which is long, long overdue. It is a temporary provision as matters stand but I am certain that after three years of examination the finance minister, whoever he may be, will realize that this was a positive step and will make it a permanent part of our taxation system.

My hon. friend from Vancouver Quadra raised the question of the application of development and acquisition expenses in regard to the principal business test. This is an area which warrants examination and I am hopeful the minister will look into that aspect of the provision and see fit to improve it so as to place Canadians on an equal footing with nationals of other countries when it comes to investing in their own industry. This makes such good common sense that I am at a loss to understand why it took so long for the government to come around to that point of view. I notice that the minister has departed and perhaps that is appropriate since I have just voiced the last compliment I intend to pay him, maybe for a long time. There are other features of the budget which are far less laudable.

One most important omission as far as I am concerned is the lack of any measures addressed to Canada's outstanding trade deficit. "Outstanding" is almost too mild an adjective to apply to our trade deficit in manufacturing, in high technology, because in 1975, the last year for which figures are available, it amounted to $8,400 million, an astronomical figure. Had it occurred in any other country in the western world it would have shaken the govern-

ment; it might even have brought it down. Think of what that represents in jobs. Think of what it represents in terms of the capacity of our economy. That sort of trade imbalance is what caused the government of Britain to bring in the draconian measures to which Britons have been subjected, measures which have included devaluation and currency controls, as well as other forms of control.

The mere existence of this horrendous trade imbalance has caused a considerable number of Canadians, more than just a few, to examine their personal portfolios—I am speaking now of those Canadians who have a few dollars invested—from the point of view of transferring their assets abroad before the government is forced to impose currency control to prevent such transfers. This feeling is abroad in Canada based on the figures which have been published, and it is startling to find that the government has failed to address itself to this problem with positive measures intended to reverse a disastrous trend. The figure I gave was for 1975 but it reflects a five or six year trend which is devastating in its implications. Mr. Speaker, may I call it ten o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

MANPOWER—GOVERNMENT ACTION TO FIND EMPLOYMENT FOR STUDENTS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, two nights ago the Minister of Finance (Mr. Macdonald) brought down his budget. It was at best what the economists call a neutral budget. It was neutral in the sense that the minister saw no reason to cut taxes in order to give Canadians more purchasing power or to indicate any intention on the part of the government to begin a program of public works which could create jobs in large numbers.

It was, to say the least, a surprising budget in view of the fact that unemployment for the month of April, the last month for which we have figures, stood at a 15-year high. The national employment rate jumped sharply to 7.4 per cent of the work force during April. According to Statistics Canada, 769,000 people were out of work, the highest number of unemployed and the highest rate, seasonally adjusted, which Canada has seen since the year 1961.

● (2200)

The only two provinces in which the unemployment rate did not rise in April over the month before were New Brunswick and Manitoba. In British Columbia the rate rose to 9.7 per cent. In Ontario it rose to 6.2 per cent, and in Quebec to 8.3 per cent. In Nova Scotia the rate increased to 9.1 per cent. Newfoundland had the dubious honour of having the highest rate of 14 per cent. That unemployment rate is particularly serious for the young people, the students.

According to studies completed by the Department of Manpower, last year the unemployment rate among students was 10½ per cent. That was at a time when the unemployment rate for all Canadians was much lower than it is now or will be this summer. Last year close to 1½ million young people, students, were looking for jobs at some time during the summer; 10½ per cent of them were unemployed during the summer at a time when the Government of Canada had established programs which provided well over 50,000 jobs for students who were looking for work.

This year we have seen the end of the Opportunities for Youth Program and the LIP Program. We have also seen the end of most of the programs which the Government of Canada operated in other years. This year the government proposes to hire not more than 12,000 students, a decrease of more than 30,000.

The minister's answer to my plea was that the government is working with private employers and is encouraging them to hire more students than they hired in other years. I am sure the government will try. I am sure the public servants will work at that, but at a time when unemployment is at the highest rate at which it has been for 15 years employers will not be in a position to give much help in this way. It is obvious to me this is one more instance of government bungling.

The concern of the government about inflation is so great that no attention is being paid to the serious problem of unemployment. The *Globe and Mail* reported a few days ago that the Department of Manpower and Immigration had in fact realized the gravity of the situation and had worked out very detailed and complete plans for job creation programs, programs which would employ somewhere between 100,000 and 200,000 of the people now unemployed. Of course such programs would be expensive. The department has estimated that such programs would cost $1 billion.

I do not suggest for one moment that $1 billion is a small amount of money. However, we must realize that the Government of Canada last year had to subsidize the unemployment insurance fund to meet the claims of those people who were unemployed and eligible to draw unemployment insurance by an amount of $1½ billion. This is money that was collected in the form of taxes, to be paid to people who were not working. That seems to me to be a form of insanity. Surely it would be far better that people who want to work and are able to work should be working at productive jobs. There are many things which need to be done in Canada, there are people to do the work, and there are projects which need doing.

I urge the government to stop focusing its attention on the problem of inflation and to begin to pay attention to the very serious problem of the unemployed, particularly of the unemployed students who need jobs this summer if they are to go back to their studies this fall.

[*Translation*]

Mr. Arthur Portelance (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, as the active student population is expected to stand at 1.3 million this summer, the federal government encourages

the private sector to hire students during the summer, as temporary employees.

In the past, the private sector used to provide 85 per cent of the jobs to students during the summer. In order to encourage Canadian employers to hire students, the Department of Manpower and Immigration is organizing an advertising campaign whose theme is "Hire a Student". We sought the cooperation of five major Canadian banks which agreed to display our advertisements in about 6,000 branches throughout the country. The purpose of this campaign is to urge employers to hire students for the whole summer or on a temporary basis. This program has been broadened for the past years without however any increase in costs. We managed to save money by taking up last year's campaign, which enabled us to spend more money on advertising in the medias, thus increasing the diffusion of publicity material.

Moreover, it is expected that our network of some 300 manpower centres for students across Canada will contribute to finding jobs for about 200,000 students. The staff in those centres will directly contact prospective employers and urge them to hire students, either for the whole summer or for casual employment. In this respect, the first reports indicate an increase in placements made by manpower students' centres amounting to 54 per cent in some areas while the average increase rate reaches over 8 per cent.

The Minister of Manpower and Immigration (Mr. Andras) has personally written his provincial counterparts requesting that they do their utmost, in spite of the present budget cuts, to create as many summer jobs as possible. Canadian provincial authorities are expected to spend some $48 million to create 60,000 jobs.

Federal government action is two-fold: 1): The students' activities and summer employment program, within which eight federal departments administer 18 specific programs which make it possible to hire 12,000 students for a total cost of $24 million and to involve 109,000 people in volunteer work; 2): Direct hiring of students by federal departments to substitute for permanent staff on vacation or expand their normal activities during the summer months. However since funding for this program comes from the regular resources of each department, it is difficult to assess the total cost of the direct hiring of students. In September 1975, the various departments provided for the creation of 10,000 jobs in 1976, for a total cost of $17 million.

[*English*]

AIR CANADA—REQUEST FOR INVESTIGATION OF FINANCE BRANCH AT WINNIPEG BY AUDITOR GENERAL

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, over the last couple of weeks I have been requesting an investigation into the Air Canada finance branch in Winnipeg and an assurance that the finance branch will not be moved to Montreal. I have received some rather ridiculous answers from the Prime Minister (Mr. Trudeau) and from the Minister of Transport (Mr. Lang). The Prime Minister stated that the government should not run one of its Crown corporations from the floor of the House of Commons. I certainly agree with that. If Air Canada appeared before the Standing Committee on Transport and Communications on a regular basis, then we most certainly would not have to discuss this Air Canada operation on the floor of the House. But Air Canada has not been before the standing committee since the last parliament, in 1973, and thus this is a lot of utter nonsense.

[Mr. Portelance.]

● (2210)

I would also like to point out that we recently spent almost $400,000 doing an Air Canada inquiry report on the operations of Air Canada, and all through the whole document the problems within the finance branch in Winnipeg and problems of communications right through the whole Air Canada operation are pointed out. All we can assume is that this has been dumped into the garbage and that the only thing which has been done is that the former Air Canada president has resigned and we have a new president. I certainly hope we get an explanation from the parliamentary secretary tonight as to why this $400,000 study has been completely ignored by the government. I see that there is a smirk on the face of the parliamentary secretary. Obviously he is picking this up from his minister, who is always quite jovial about the matter.

Yesterday we found out that the president of Air Canada, Mr. Taylor, said that he is going to be applying for an air fare increase. There is an absolute catastrophe in the Air Canada finance branch in Winnipeg, a complete breakdown in the auditing system, a loss of millions of dollars, and he has the utter audacity to say he is going to ask for a fare increase. I have taken some steps myself because I do not expect the government to do a damned thing about it. I have written to Mr. Benson, the head of CTC, and requested that he not allow any more fare increases. I asked him to review the last one. Obviously the CTC was not aware of the financial fiasco and the financial mess in Air Canada, and had he known, perhaps Mr. Benson would not have allowed the last increase, which took place on April 18.

I have received much information from CALEA members with regard to the financial breakdown, and it would appear that they are more concerned about Air Canada's financial problems and its operation than the government and Air Canada management are. I would just like to point out some of the problems they are experiencing. Here is an example. This is a document which came out of the Air Canada office at Heath Row, London, England. That office points out the following:

> Several times a year we have been traced and on one occasion threatened with legal action by our Grosvenor Hill landlord for non-receipt of quarterly rental payment (14,000 pounds). Last year the manager, disbursements, was provided with copies of twenty representative letters from suppliers all relating to their need to have invoices paid within ten days or 'cash on delivery'. Cash flow is a very real problem in the U.K. firms today.

The information that office received from the Winnipeg finance office was as follows:

> I understand from the accounts office supervisor that we cannot expect any positive action for the next 12-18 months as he has been informed that the delay is due to a backlog of programming time in the C & SS branch in Winnipeg.

What an embarrassment to an Air Canada office overseas. They cannot pay their bills and, as I pointed out about six weeks ago, this Air Canada office was threatened with having its gas and light cut off because the finance

branch in Winnipeg could not get money over there to pay the bills. This is a lot of nonsense.

In addition, billings to Air Canada from other airlines do not receive a complete audit. Items billed for $75 or less are assumed to be correct and paid without question.

Air Canada's own internal auditors endeavoured to audit the refund bank drafts account in 1975. This account is not less than $2.5 million per month, about $30 million per year. They finally gave up, and that account remains unaudited since 1972. Therefore over the past four years a $120 million account has been in question. When I bring matters like this up, what do I get? I get a snickering grin from the Minister of Transport and he says that he trusts Air Canada to do a great job. Well, I do not think it is doing a great job. I also wrote a letter to the Auditor General asking him to get his staff in there and to get this ungodly mess straightened out.

In the CALEA members' bulletin dated September 12 they mentioned that there was at that time a backlog of 250,000 unreported Air Canada tickets in the ticket inventory and control section of the revenue accounting department. Those are tickets sold by Air Canada sales offices, travel agents, commercial accounts, etc. Those are the very reasons why Mr. Taylor should be before the standing committee, so that we can ask him and get this mess straightened up rather than putting out news releases to tell us that he needs a fare increase.

This is one of the highlights of the reports from CALEA. When we hear corporate management talk about a $90 million loss in revenue this year, and when we see load factors reported that refuse to accommodate such a large loss, it takes little intelligence to determine that something is wrong.

It has been much belaboured by the media that Air Canada has an antiquated "Mickey Mouse" accounting procedure—

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member but his time has expired. The Parliamentary Secretary to the Minister of Transport (Mr. Goodale).

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I do not propose to dwell at any length on the hon. member's rude, insulting, and thoroughly ill-founded allegations with respect to the status of the Estey report or the other items which are on the agenda of the Standing Committee on Transport and Communications. If the hon. member were to attend that committee from time to time, or talk to members of his party who sit on the steering committee, he might be better informed about what is going on.

In his allegations this evening the hon. member is wrong, of course. But in view of his performance on this particular issue and others in this House that is not particularly unusual.

To deal specifically with the issue that prompted the hon. member's original question, Air Canada deals with approximately 500 different commercial accounts every year, including Warnock Hersey Ltd., and the total annual amount involved in transactions with these accounts is approximately $33 million.

A simple clerical error on the part of Warnock Hersey resulted in ticket sales reports not being forwarded for a period of several months, but when this error was discovered the matter was rectified and any outstanding amount paid immediately.

During the past few months Air Canada's finance branch in Winnipeg, has been subjected to a series of disruptive actions by its clerical workers, who are members of the Canadian Airline Employees Association. These disruptions have hampered the over-all performance of the company's finance branch. Consequently Air Canada has implemented portions of a contingency plan in an effort to maintain fair and reasonable levels of productivity. This initially involved supplementing the normal work force with management and other non-union clerical employees on a temporary basis. This arrangement is quite properly within the authority of the management of the company.

Contract negotiations between Air Canada and the Canadian Airline Employees Association, which represents the finance branch clerical workers, are currently being conducted under the guidance of a federal labour mediator. It has been pointed out to the hon. member already and repeatedly that the kind of commentary he is trying to engage in this evening on the floor of this House is not a helpful or constructive exercise.

Generally, it should also be noted that as a basic matter the management of Air Canada operations should, in the proper course, be left to Air Canada management personnel who have been employed to do that job and to do it well.

EXTERNAL AFFAIRS—CONSIDERATIONS ENTERING INTO SALE OF MILITARY EQUIPMENT

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, on December 3, 1975, I asked the then acting Prime Minister for information on Canada's sales of military equipment. This was but one of many efforts through oral and written questions to learn the facts of this country's extensive dealing in arms.

After being on the order paper for over a year, a question of mine elicited the reply that we sold arms to 73 countries, ranging from A to Z—Abu Dhabi to Zambia. Taiwan bought arms as recently as 1974.

While the minister declared that we did not sell arms of any kind to countries in the Middle East, I found the list included Iran, Israel, Kuwait, Muscat and Oman, Saudi Arabia, Union of Arab Emirates, countries either in or very interested in the Middle East.

In reference to the Middle East one notes in the reply at page 9367 of *Hansard* for November 24, 1975, that Israel appears on the list for every year from 1963-1974 while the few Arab states noted are much less frequently on the market. One is struck by the fact that none of the so-called confrontation states, Egypt, Jordan or Syria, are shown as having been sold any Canadian military equipment.

● (2220)

In such a sensitive area and in regard to a situation of such delicacy, this seeming discrimination may be serious indeed. This is especially the case in light of the minister's

denial that the government viewed sales of conventional arms as purely business transactions where the dollar value was the only value worth considering. Indeed the ministerial disquisition on arms sales was one of the most fascinating if totally mystifying verbal exercises I have heard in my 19 years in this Chamber. Some of the gems were, "We do have regard to sales of military equipment of all kinds in all directions"; and again: "We also have some categories that might be termed military equipment of a rather innocent character . . ." The minister also declaimed, "There are certain types of arms and equipment for war-like purposes that we do not supply. Many of the things we supply are not intended for the purpose of killing people." So moved was he that the sedate and normally restrained member for Prince Edward-Hastings (Mr. Hees), could not forbear the comment, "They are 'soft arms' are they?"

But while the response may have had its hilarious aspect, the subject matter is far from amusing. In absolute terms Canada ranks sixth among the world's arms salesmen, exceeded only by the U.S., the U.S.S.R., France, the U.K., and Italy. Among the merchants of death our peace-loving country is by no means in the background. Although Canadians are often accused of lacking aggressiveness in seeking world markets, we are not such shrinking violets when it comes to peddling death-dealing weaponry or related implements of military conflict.

It is very difficult to get a clear picture of what exactly is our role in the field of arms sales. We are told that much must remain secret lest the breach in confidentiality injure the competitiveness of certain Canadian firms. Because of changing formats and departmental reorganization it is not easy to obtain data on the full role of government in the process. The annual report of the Canadian Commercial Corporation is about as quantitatively informative as the average container of breakfast cereal. To those hon. members desirous of information on this very serious matter I would commend the book "Making a Killing" by Ernie Regehr, and the article in *Saturday Night*, volume 86, 1971, "Dealing Out Death Discreetly: The Traffic in Canadian Arms", by William Cobban.

I believe we must be more realistic and more revealing on this question. I do not think we can on this or any other question have it both ways. We cannot trot out our self-righteous purity in the nuclear field and then sell arms of another kind to anyone who wishes to buy them, whether they be in the Third World or elsewhere. If we are to adopt the attitude that business is business and who kills whom with Canadian arms is not an issue, then let us say so. But to suggest seriously that Canada sells only gentle, kindly items of military hardware is a bit much even in this age of double talk and slick salesmanship. If our considerations are based on moral judgments and values it does not matter whether we are talking about the nuclear destruction of 100,000 people or the killing of a few hundred so-called political enemies by rifles or machine guns which were in their heyday in the second world war.

In my school days I recall a poem which reflected upon the then sophisticated armaments of the so-called civilized west and their destruction of the peoples of other areas. The author described these machines of mass killing as, "means of death, and so may be a dagger in a damsel's hand."

I hope we will have an end to the notion that Canada sells not hard but soft, not bad but good military arms. I hope, Sir, that we will have the whole matter examined, and check out the relationship of principles to pocket books.

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, this subject is of great concern to all Canadians, and quoting *Saturday Night*, with all due respect to the magazine, is making a farce of providing proper information on this most important and serious matter of arms sales.

I suggest that the hon. member for Hillsborough (Mr. Macquarrie) cannot be serious when he suggests that arms are necessarily for killing. He quoted the House leader who answered in the absence of the Secretary of State for External Affairs (Mr. MacEachen) and who, in all good faith, gave as many details as he could. The mixing of answers made to the hon. member for Fundy-Royal (Mr. Fairweather) and taking them out of context is, in my opinion, tantamount to intellectual dishonesty.

It is obvious to anyone who takes five minutes to think about it that there are commercial sales of equipment that are not military in nature, not specifically designed for military purposes or that do not have a military function. For example, there is the laser, not to mention almost the complete electronic industry.

I find the rhetoric of the hon. member for Hillsborough nothing more than words; very moving in the way he presents them but absolutely empty. What is worse, they are misleading the Canadian public. It would have been more helpful if he had asked questions about the statistical categories under which fall the so-called sales of arms to foreign countries.

It is important to note that we should distinguish three categories of arms. The first is weapons and ammunition; then military support equipment; and then commercial equipment which may have a military application. I underlined what this might be. The joke of the hon. member for Prince Edward-Hastings (Mr. Hees) was really not appropriate in the debate on December 3, 1975.

In general terms our policy is based on the principle that weapons and ammunition and military support equipment will not be supplied to countries considered as representing a possible military threat to Canada; to countries involved in hostilities; to countries where there is an imminent threat of hostilities; to those countries to which U.N. resolutions forbid the export of such equipment, or to regimes pursuing policies contrary to Canadian standards and practices.

I will finish with one additional piece of information, although we should be discussing this question at length. The fact of a sale to an individual country may indicate either that the product sold was military in nature or that the end user would be the military in that country even though the equipment itself was of a purely commercial nature. Some of the countries mentioned by the Minister of Industry, Trade and Commerce (Mr. Jamieson) fall into that category.

Motion agreed to and the House adjourned at 10.29 p.m.

HOUSE OF COMMONS

Friday, May 28, 1976

The House met at 11 a.m.

THE LATE W. ROSS MACDONALD

TRIBUTE TO FORMER MEMBER AND SPEAKER

Mr. Speaker: Order, please. Hon. members will be saddened to learn of the death this morning of a most distinguished Canadian, the Hon. W. Ross Macdonald.

Mr. Macdonald served Canada with great distinction for many years. He was a soldier in the first war, a member of this House, a minister, a senator, and finally, Lieutenant-Governor of Ontario.

The particular aspect of his work that will be remembered by this House, was his illustrious career as Speaker of the House of Commons during which time he presided over our affairs with great dignity and wisdom.

I am sure all members would wish me to convey their sympathy to members of Mr. Macdonald's family.

ROUTINE PROCEEDINGS

[*English*]

ENVIRONMENTAL AFFAIRS

PROPOSED ADOPTION OF MEASURES TO ENSURE RECYCLING OF WASTE PAPER—MOTION UNDER S.O. 43

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. This matter is explained in a letter to all members of parliament this week by the combined Pollution Probes of Ottawa, Nepean and Kanata. Waste paper accounts for over one third of solid waste in municipal garbage dumps at a time when there is a scarcity of solid waste sites which meet environmental standards. Newsprint consumption in Canada is roughly 66 lbs. per capita, and no more than 8 per cent waste newsprint without de-inking is recycled, and more de-inking plants are needed. The Canadian government endorses waste paper recycling as a means of conserving energy and our forests, but it has given no incentive to the paper industry to use more post-consumer waste paper in production, and it continues to overlook waste content in its paper purchases and discards 17,000 tons of waste paper every year.

● (1110)

I therefore move, seconded by the hon. member for Grenville-Carleton (Mr. Baker):

That this House urge the government of Canada to adopt policies which would:

(A) encourage industry to use greater amounts of recycled waste paper in paper production;

(B) ensure greater use of recycled content in paper purchased for government use; and

(C) require that government waste paper be recycled whenever possible.

Mr. Speaker: Order, please. Pursuant to Standing Order 43 such a motion can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

UNEMPLOYMENT INSURANCE

SUGGESTED WITHDRAWAL OF PROPOSED CHANGE IN MINIMUM ATTACHMENT PERIOD—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I rise on a matter of urgent and pressing necessity. Considering that a report from Statistics Canada produced yesterday indicates that the number of full time and part time job openings available to Canadians during the first three months of this year was only 48,100, a drop by 22 per cent from the number available at the same time last year, and considering that more than 760,000 Canadians are unemployed, and notwithstanding the support given to the government by the official spokesman for the Conservative Party for its proposed change in the Unemployment Insurance Act, which he described yesterday in the House of Commons as a small step in the right direction, I move, seconded by the hon. member for Winnipeg North (Mr. Orlikow):

That this House urges the government to withdraw its proposal to change the minimum attachment period for unemployment insurance benefits from eight weeks to twelve weeks.

Mr. Speaker: Order, please. Such a motion can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Oral Questions

ORAL QUESTION PERIOD

[*English*]

ANTI-INFLATION PROGRAM

REASON FOR DELAY IN REVISION OF PRICE AND PROFIT REGULATIONS—REQUEST FOR CLARIFICATION OF PURPOSE OF CHANGE

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, in the absence of the Minister of Finance—

An hon. Member: And of the government.

Mr. Stevens: —and, I might add, in the absence of many other ministers, I will put my question to the Acting Prime Minister.

The revisions in the price and profit regulations of the anti-inflation program, announced in the budget presentation of the Minister of Finance Tuesday night, have been described by a Montreal panel of accountants as a three page memo loaded with dynamite. Regrettably, there has been further confusion added to the question as to how the controls apply to business generally, and as the statements of the chairman of the Anti-Inflation Board on Wednesday did little to clear the air, would the Acting Prime Minister make a positive contribution to public understanding of the program by telling the House why the announcement of the new regulations has been delayed until June 7 when the government supposedly knew what its intentions were in the budget? In addition, could the Acting Prime Minister inform the House whether any of these regulations will apply retroactively to pricing policies of business before May 25?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the government made its announcement of the changes in the Anti-Inflation Board regulations as soon as a decision had been made by the cabinet. The first opportunity to make these announcements came in the budget.

The question of the applicability of these changes is to be found in the regulations themselves, and I would not presume in this House to answer the last part of the question. The purpose is to make the regulations apply in a fairer manner to all business and to buttress the efforts of the government to contain price increases.

Mr. Stevens: With special reference to the latter part of the Acting Prime Minister's answer to my earlier question, as the chairman of the AIB stated that the new regulations will establish the type of program which was intended in the first place, can the Acting Prime Minister tell the House exactly what the purpose of these regulatory changes is? Is it to help business, is it to clarify the program as far as business is concerned, or is it in fact to remedy the situation in the sense that the control program did not appear to be working and tighter regulations were required?

Mr. Sharp: As the hon. gentleman knows—I am sure he has been following the course of events very closely; his many interventions in the House indicate that he has been—the purpose of these regulations is to make the rules with respect to prices fairer in their application as between companies of various kinds. Hon. members will recall that there were various alternative ways of determining whether prices were within the guidelines. After review it was found more fair to apply a general rule than it was to provide for the alternatives that had previously been in effect. This is something that could only be determined by experience. The government makes no apologies for the review nor for the changes that have been made.

[Mr. Speaker.]

REQUEST FOR ASSURANCE NO FURTHER UNANNOUNCED CHANGES IN PRICE AND PROFIT REGULATIONS

Mr. Sinclair Stevens (York-Simcoe): A supplementary question. Noting that the budget speech of the Minister of Finance summarized only the highlights of the changes to the price and profit regulations, would the Acting Prime Minister assure the House that all the changes to the regulations not announced in the speech of the Minister of Finance are really consequential to the highlights, that is, that no additional major changes to the profit control procedures are lurking unannounced in the forthcoming regulations?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I could not give an undertaking, and I am sure it would be most inappropriate if I did, that there would not be further changes based on experience. In his speech the Minister of Finance announced the purport of the changes that are to be made. These will be spelled out in the regulations of the Anti-Inflation Board. It may be that on the basis of experience we will find it necessary to make further changes. That is to be expected and, I hope, would have the co-operation of the opposition.

POSSIBLITY OF CHANGES IN REGULATIONS AFFECTING BANKS—REASON FOR DELAY IN REVISION OF BANK ACT

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, a final supplementary. Would the Acting Prime Minister indicate if it is planned to make any changes in the government's anti-inflation program, by regulation or otherwise, as it affects the banking community and could he indicate why the Bank Act revision has been delayed once again as indicated in the budget speech in that the Minister of Finance had indicated it would be tabled before the end of this month?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, as I said, I cannot give any undertaking about further revisions in the program. Our purpose is to bring about stability in costs and prices. We will take whatever measures appear appropriate for that purpose. It is not our desire to produce any more uncertainty than is necessary, but some changes are bound to be necessary in a program of this kind which is without precedent. It is bound to be modified as we have further experience. As for the revision of the Bank Act, the Minister of Finance has found himself otherwise engaged and it is necessary to postpone the introduction of the bill until after the end of this session.

REASON FOR CHANGES IN PRICE AND PROFIT REGULATIONS—EFFECT OF CHANGES ON CAPITAL FORMATION

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, my question is also for the Acting Prime Minister. The Minister of Finance stated that the new Anti-Inflation Board regulations were being formulated to achieve greater equity and effectiveness. Can the Acting Prime Minister explain exactly what was meant by this action, especially noting the need for expansion of business capital base?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, all these matters were taken into consideration when the decision was made to change the regulations. In our view they are more fair in their application to the business community as a whole. They remove anomalies that existed when there were various alternative ways of determining prices. The government is very much aware of the necessity of promoting capital investment and in our judgment these regulations are fair and equitable and will not interfere with the expansion of business.

Mr. Kempling: A supplementary question, Mr. Speaker. Reports from the business community indicate that the capital base of business has been seriously eroded by inflation with only the government gaining. Can the minister advise if the government has studied the effects on the formation of the capital base of the change in the base period profit average from 95 per cent to 85 per cent, coupled with high interest rates? Have they studied the effect of this on the formation of capital which is required to expand business to offset inflation? Will that study be tabled? I think it is very important.

Mr. Sharp: Mr. Speaker, as the hon. member has said, inflation is causing disruption. The purpose of the government's policy is to stop inflation and, if it is necessary, to take unusual action. If the hon. gentleman is suggesting it is more important to achieve some other objective, I do not agree with that.

* * *

UNEMPLOYMENT INSURANCE

SUGGESTED WITHDRAWAL OF PROPOSED CHANGE IN MINIMUM ATTACHMENT PROVISION—REQUEST FOR FREE VOTE ON PROPOSED CHANGE

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Acting Prime Minister, in the absence of the Minister of Manpower and Immigration, based on the fact that the figures released yesterday by Statistics Canada indicate a 22 per cent drop in the number of jobs available in the first quarter of this year compared with last year, and that proposed changes in the Unemployment Insurance Act which the government has announced will most seriously affect those parts of Canada which already have the highest and most persistent levels of unemployment, and keeping in mind that the government has not the support of one provincial premier, will the government reconsider its position and withdraw its proposed intention to change the Unemployment Insurance Act?

● (1120)

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, as various government spokesmen, including the Minister of Finance and the Minister of Manpower and Immigration, have said the purpose of the government in proposing these measures is to reduce the number of people on unemployment insurance and to increase the number who have jobs. I wish to confirm the government's intention to replace any of these adverse effects with the creation of new employment.

Mr. Broadbent: Mr. Speaker, I remind the minister that if he reduces unemployment he will reduce unemployment insurance pay-outs, which is exactly what we in my party want. As the Minister of Consumer and Corporate Affairs said in Montreal yesterday that he was opposed to the change on which the government has decided, I ask if he was in any way reflecting a change in the government's attitude? For example, will the government take the position that, on this important issue which affects Canadians from coast to coast, it will permit a free vote in the House?

Mr. Sharp: Mr. Speaker, I do not accept such an interpretation of the remarks of the Minister of Consumer and Corporate Affairs. So far as I know, the minister did not say that. He will be here and can be examined on that question. I understand from his office that he has been misrepresented. The House will consider a government measure. We believe, and I hope the hon. gentleman believes, too, that it is better to have people employed than on unemployment insurance.

Mr. Broadbent: Mr. Speaker, the Acting Prime Minister suggests that the Minister of Consumer and Corporate Affairs did not mean what he said. I suggest that the Acting Prime Minister has trouble distinguishing night from day. I ask, since the government adopted an earlier Conservative proposal for indexing income tax which has brought major beneficial effects to upper income Canadians, if the government got this brilliant idea for changing the Unemployment Insurance Act, a change which will have a negative effect on low income Canadians, also from the Conservative party?

[*Translation*]

REQUEST THAT PERIOD TO QUALIFY FOR BENEFITS BE REDUCED IN CERTAIN CASES

Mr. Eudore Allard (Rimouski): Mr. Speaker, in the absence of the Minister of Manpower and Immigration, I should like to put a question to the Acting Prime Minister.

In view of the amendments to the Unemployment Insurance Act extending from 8 to 12 weeks the eligibility period, and I am now referring to owners and seasonal workers, owners of summer hotels and farmers who will need temporary manpower for a period which very seldom exceeds 7 to 8 weeks, and also to students who will have to find a summer job, has the minister or his officials considered some kind of mechanism to cope with this situation?

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, it seems to me that the government's policy in

relation to the suggested revisions of the Unemployment Insurance Act has only been represented in one aspect. The government has also made it clear, I repeat, that it intends to replace any of the reduced benefits with the expenditures of public money, in order to create alternative employment.

[*Translation*]

Mr. Allard: Mr. Speaker, I wish to ask a supplementary question.

I think the minister did not answer my question. I asked him if he had something in mind to remedy the situation which will soon arise with regard to seasonal workers, particularly students.

[*English*]

Mr. Sharp: Yes, Mr. Speaker, in so far as measures being proposed, for example, through the extension of the LIP program and in other ways to create useful jobs in areas of high unemployment. I think the policy we have announced will meet the hon. member's problems.

* * *

AIR TRANSPORT

ASSURANCES GIVEN AIR TRAFFIC CONTROLLERS NO EXTENSION OF BILINGUAL AIR-TO-GROUND COMMUNICATIONS PENDING REPORT OF INQUIRY

Mr. Don Mazankowski (Vegreville): Mr. Speaker, my question is for the Minister of Transport. I am sure we are all pleased to learn that the air traffic controllers and Treasury Board have reached agreement on the outstanding issues involving the air traffic controllers' dispute.

Some hon. Members: Hear, hear!

Mr. Mazankowski: Will the minister tell the House what assurance he has given the air traffic controllers that there will be no extension of bilingual air-ground communications until the commissioner of the inquiry has presented his report to the government and the report is made public?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, in addition to some explanatory changes in the terms of reference, we have reached considerable agreement about the satisfactory progress that has been made on bilingual air traffic service in the five airports where it was first introduced, that the introduction would go on progressively at Val d'Or and Bagotville, that the air advisory radio service for VFR would continue to move forward, that the use of French in emergency situations would be permitted as under the current rules and that the commission work would go forward. We would not undertake any further introduction of bilingualism until after the commission has reported and the report has been made public, except with the agreement of the controllers and Transport Canada. I put it that way because we have found that a good deal of progress can be made by sitting down together and continuing to assure everyone that safety is our prime consideration and, when procedures are available which allow the introduction of the two languages with safety, they will go forward.

[Mr. Sharp.]

[*Translation*]

REQUEST FOR REPORT ON NEGOTIATIONS WITH AIR TRAFFIC CONTROLLERS ON BILINGUALISM

Mr. Claude-André Lachance (Lafontaine-Rosemont): Mr. Speaker, my question is directed to the President of the Treasury Board.

In light of the current negotiations in St. John's between the Air Traffic Controllers Association and officials of his department, can the minister tell the House whether an agreement has been reached, not only on wage conditions, but also on the question of bilingualism in airground communications in Quebec?

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, as regards the second part of the question, the Minister of Transport just gave an explanation which clearly indicates that the government intends to proceed while ensuring that public security is fully protected.

As to the first part of the question, I should say that last night we were able to agree to the satisfaction of both parties on a labour contract between the Air Traffic Controllers Association and the Treasury Board.

* * *

[*English*]

TRANSPORT

ALLEGED PROPOSAL TO REMOVE RAPESEED FROM CROWSNEST PASS RATES—GOVERNMENT POSITION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I wish to direct a question to the Minister of Transport. All of us are very pleased that this week he inaugurates "Canada on the Move". I would like to get him on the move with reference to removing rapeseed from being within the purview of the Crowsnest Pass agreement. All over western Canada there is strong complaint about this. I bring this to his attention and ask him whether he still intends to remove rapeseed, which my administration brought under or supported under the provisions of the Crowsnest Pass rate. Is he going to stubbornly stay with his present stand and lose western Canadian farmers millions of dollars?

Hon. Otto E. Lang (Minister of Transport): No, Mr. Speaker. I am delighted that the right hon. member has given me this opportunity to make clear that I have no proposal to put before anyone to move rapeseed away from the Crowsnest rate.

Some hon. Members: Hear, hear!

Mr. Lang: My specific decision has been to indicate to the Canadian Transport Commission that they ought not to charge more than the compensatory rate, which is well below cost, on rapeseed oil. However, I did point out to the western premiers when they objected to that, that at that rate oil is at a higher cost, even though below cost, than shipping rapeseed. They asked for equity between oil and rapeseed. I asked them to state clearly whether what they meant was an additional subsidy on rapeseed oil instead of hiding behind the word "equity". I got some kind of a reply to the effect that they want equity but not subsidies and,

therefore, I am no further ahead. The dilemma is there. The low rate creates distortions. There is no doubt about the fact that with rapeseed at the low rate and oil at the high rate, there is a disincentive to processing in the west just as there is in the case of feed grain and meat, because of the discrepancy between the rates on those products. Those in the west have to face up to that situation in a very realistic manner. I ask them to do so clearly and honestly, instead of hiding behind generalizations that are meaningless.

● (1130)

Mr. Diefenbaker: I can only designate the minister's reply as an oily one. I ask him specifically: can he give an assurance that there will be no removal of rapeseed from the Crowsnest Pass freight statute? That is all I want to know, not this mass of words by way of explanation. Are we in Western Canada to be able to say that the minister from Saskatchewan is going to protect a major industry in our province?

Mr. Lang: I think my previous answer said exactly what I wanted to say and what I meant to say in that regard. I think I can say it would be impossible for me to see how we could justify asking the taxpayer to pay an additional part of the cost of the movement of either meat or rapeseed products from the prairies, even though that cost may be related to a rate which is compensatory and therefore not fully cost covering. I therefore say to the right hon. gentleman that there is a real challenge facing him and those in the West who have favoured the Crow as a low rate on grain to recognize that that will be a discouragement to processing there.

About a year and a half ago I said in Edmonton that while I would fight to try to preserve the benefit of the Crow rate I thought the farmers would be better off if they got the benefit of that rate in some other way, equally assured. I made that statement without having received the approval of my colleagues in the government for any such change; no such change has been put before them. I was, in effect, making an offer to the West about what I would try to fight for for the good of the West, hoping I could persuade my colleagues. But up to this point I have not been able to get the support from the West in favour of something which would, in my view, be extremely good for the West. I wish the politicians out there would recognize that now.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Listening to the minister's answer, it is very clear that out go the rights of the western farmer growing rapeseed to be protected under the Crowsnest Pass Agreement.

Mr. Lang: The interesting thing, of course, is that there has been some growing realization in the West of the nature of this problem. Just recently I had the support of the Government of Alberta for the proposition that the Crow rate on domestic grain ought not to be continued because it discourages the production of meat in Alberta and is seriously to the disadvantage of Alberta. So at least some Conservatives in one province seem to know what the facts are, though I am not sure they all do.

UNEMPLOYMENT INSURANCE

REQUEST FOR FREE VOTE ON PROPOSED CHANGES IN ACT—REASON FOR PROPOSED CHANGES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is addressed to the Acting Prime Minister. In view of the statements made by Liberal backbenchers from Newfoundland—for Gander-Twillingate, Bonavista-Trinity-Conception, Grand Falls-White Bay-Labrador, from the member representing the New Brunswick constituency of Gloucester and by the hon. member from Cornwall, speaking on television last night, raising serious objections to the proposal with regard to lengthening the working period before people can qualify for unemployment insurance benefits, would the hon. gentleman assure members of the House and back bench members of his own party in particular that on this question, when the vote is taken, they will be given the right to a free vote?

Hon. Mitchell Sharp (Acting Prime Minister): No, Mr. Speaker. I cannot give that assurance. When the legislation comes forward the government will take full responsibility. I hope the hon. member, when he is dealing with this subject, will bear in mind what the Minister of Finance said and what the Minister of Manpower and Immigration said, that the government's purpose would be to compensate for any particular disadvantages which might arise in any particular area of the country by a program of employment. I hope he agrees that this would be better than receiving unemployment insurance.

Mr. Orlikow: Would the minister tell us why the government insists on coming forward with this proposal in the light of the fact that organizations such as the Economic Council have made it very clear that measures of this kind are counter-productive and that what is needed is not a clamping down on unemployment insurance but a massive job creation program involving expenditure in the neighbourhood of a billion dollars?

Mr. Sharp: While the government has not gone as far as the Economic Council has advised, we are moving in that direction and that is one of the purposes of the new policy which has been announced—to endeavour, by creating useful works of social value, to replace the benefits of unemployment insurance by wages.

* * *

FINANCE

BASIS OF FORECAST OF INCREASE IN REVENUE FROM DIRECT TAXES

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, in the absence of the minister, I would like to direct my question to the Acting Minister of Finance. Since average annual wages are expected to rise by no more than 12 per cent and since personal exemptions are indexed at a rate of 11.3 per cent to neutralize the tax impact on individuals, how can the minister predict an increase of 26 per cent in revenues from direct taxes on persons shown in the tables attached to the budget speech?

Hon. Mitchell Sharp (Acting Prime Minister): May I say on behalf of the minister that this is the sort of question which should be directed to him when the budget is under discussion and when the bills flowing therefrom are before the House?

* * *

INDUSTRY

PROPOSED CLOSING OF RCA LABORATORIES IN MONTREAL—GOVERNMENT ACTION TO PREVENT

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. Is the minister yet in a position to report to the House as to whether the government has been able to prevent the RCA research laboratories in Montreal from closing at the direction of the RCA head office in the United States? Inasmuch as such a closing would clash directly with the principles of international business conduct which when tabled in the House last July were stated as reflecting government policy, could the minister tell us whether the government will take steps to make a reasonable degree of compliance with these principles mandatory and to fully monitor the extent of such compliance on the part of all foreign-controlled enterprises in Canada, the firms to which the government has said these principles apply?

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): On the specifics with regard to RCA, I advised the House a few days ago that I had already met with that company's chief executive officer and other officers and had expressed our disappointment over the decision. What action we may be able to take in law or what kind of enforcement measures we may be able to undertake are questions I am considering at the present time. But I am at present carrying on talks with the RCA company in an effort to see whether they can be persuaded to change the policy. The second part of the question was somewhat more complex than I could follow, since it was related to the RCA issue. Perhaps my hon. friend would wish to ask a supplementary.

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REGIONAL ECONOMIC EXPANSION

POSSIBILITY OF MEASURES TO COUNTERACT THE EFFECT OF INCREASED PRICE OF OIL IN ATLANTIC PROVINCES

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion. Since it is now obvious that the price of oil is going up, a situation which will result in people having to pay fantastic oil prices in Atlantic Canada, may I ask the minister whether he is considering suitable measures in order that firm proposals might be placed before the Atlantic premiers when they come to the first ministers conference in June?

[*Translation*]

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, as I have repeatedly stated before in the House in reply to similar questions, the Department of Regional Economic Expansion is certainly concerned with the impact of increased energy cost on the economy of the Atlantic provinces. It has provided for higher expenditures in that area for the current year. Indeed the department is now concerned and is doing some research, and it has been commissioned to a degree to submit alternative proposals to the cabinet. I hope soon to be in a position to propose, along with my colleagues, a solution which could help go through the difficult period with regard to energy in the Atlantic region.

* * *

● (1140)

[*English*]

ENERGY

OIL—POSSIBILITY OF MEASURES TO COUNTERACT EFFECT OF INCREASED PRICE IN ATLANTIC PROVINCES

Mr. J. P. Nowlan (Annapolis Valley): A supplementary question, Mr. Speaker, to the minister of energy. In view of the fact that the Prime Minister, I think on Wednesday, in answer to the hon. member for Don Valley said that he was not sure exactly when a decision would be made as to whether there will be any proposals to meet this fundamental problem, which will completely destroy the effects of regional economic expansion in Atlantic Canada unless something is done about the situation, is the minister, with his colleague the Minister of Regional Economic Expansion, in a position to put a firm proposal before the cabinet so that at the first ministers' meeting something firm will be offered the Atlantic premiers? In order that the Atlantic premiers will know that something will be offered to them, can the minister tell the House whether he will indeed say something that is firm, so that we will not be playing any cat and mouse games?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, work is indeed going on in a number of different areas. I should like to take this opportunity of conscripting the assistance of the hon. member in persuading his colleagues that Petro-Canada is doing one hell of a good job.

Some hon. Members: Oh, oh!

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FINANCE

REQUEST FOR MEASURES TO AID ECONOMIES OF ATLANTIC PROVINCES

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, I have a question for the Minister of Finance, but in his absence I will direct it to the Acting Prime Minister. The premier of Prince Edward Island has been quoted recently as stating that the federal government's influence through its fiscal and cost-sharing policies threatens—that is his word—to shape the course of events in the maritimes more than ever before. Is it the minister's intention to adopt a more favourable attitude to the maritime provinces, or is

the government's intention to continue to deny this part of Canada the opportunity of developing to its full potential; and will the minister do his part, in response to the premier of Prince Edward Island, and offer direct and immediate aid to the Atlantic provinces, where soaring energy costs are threatening the already frail economies of this part of the country, to which the minister of energy seems to be insensitive.

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, as the spokesman for the Minister of Finance this morning, I wish to say that the problems of the Atlantic provinces are seriously taken into consideration by the government. The Minister of Regional Economic Expansion said that we are now studying the problems confronting the Maritimes in the field of energy. We hope to find short and long term solutions. I must say that the situation is very complex and it is not caused only by measures taken by the federal government. On the contrary, we continue to take great interest in those regions.

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PENSIONS

POSSIBILITY OF DEFERRED PAYMENTS INTO SUPERANNUATION ACCOUNT

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, last Wednesday I asked the President of the Treasury Board whether the government, in whole or in part, had exercised a right to defer a contribution to the pension plan of civil servants and members of the armed forces. Would he now have the information he indicated he would try to get?

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, I am unable to give an answer to the hon. member today, but I hope to be in a position to do so on Monday.

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[*English*]

FINANCE

REQUEST FOR MEASURES TO AID SMALL BUSINESSMEN—GOVERNMENT POSITION

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, my question is addressed to the Acting Prime Minister. Because of the fact that this government continues to lend large sums of money at no or low interest rates abroad while those who form the backbone of our economic way of life—and I am referring, of course, to the small businessman—are in many cases fighting for survival as a result of high-cost lending rates, would the minister advise the House whether or not the government is contemplating any future improvement in interest rates both within the federal business development bank as well as our monopolistic chartered bank system; and more specifically, is there a possibility of having the Small Businesses Loans Act amended in such a way as to ease the way for the small businessman?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the hon. gentleman will recall that very substantial measures are proposed in the budget for the benefit of small business. The question of interest rates is a very difficult and complicated one and I hesitate to give any undertakings about bringing in special measures in addition to those already being proposed in that field. What is quite clear is that the best way of reducing interest rates in this country is to get inflation under control, and I only wish we had a little more support from the opposition in those endeavours.

Some hon. Members: Oh, oh!

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INDUSTRY

POSSIBILITY OF MEASURES TO AID SMALL BUSINESSMEN

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, I have a supplementary question for the Minister of Industry, Trade and Commerce. Because of the fact that the small businessman does in fact form the backbone of our economic way of life, and as a result of continuing disregard for this small firms sector by federal budgets, as witnessed earlier this week—regardless of what the Acting Prime Minister says—is the minister or his department considering initiating a comprehensive policy, with emphasis on incentives and stimulants, aimed specifically at the small business sector; and can he assure the House that such a policy will be backed by appropriate legislation to show the seriousness of this matter?

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, a number of special programs with regard to small business are already in place. There is a review of the nature the hon. member referred to underway at the present time, along with consultation with small business representatives in Canada. A number of proposals have been put forward and I have no doubt that those will be implemented. Whether it will be necessary to use legislation for their implementation or existing programs is not a matter on which I can give the hon. member a definite answer at the present time.

* * *

INQUIRY OF THE MINISTRY

Mr. A. C. Abbott (Mississauga): Mr. Speaker, I rise on a relatively tranquil day in the House to direct my question to the Acting Prime Minister. Yesterday in the Mother of Parliaments at Westminster strife broke out among members resulting in a reported flattening of the Sergeant at Arms and outbreaks of fisticuffs. Noting the growingly intemperate behaviour of the opposition—

Some hon. Members: Oh, oh!

Mr. Abbott: —would the Acting Prime Minister advise the House whether he and Your Honour are studying contingency measures to deal with such a potential outrage in this House?

Oral Questions

LABOUR CONDITIONS

DATE OF PUBLICATION OF HALL REPORT ON PENSIONS OF RAILWAY EMPLOYEES

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, I suppose I should ask a supplementary following that last question: If not, why not?

May I direct my question to the Minister of Labour in view of the fact that the Minister of National Revenue is not here at the present time. It concerns the report of Dr. Noel Hall and railway pensions. Can the minister give the House and the country some indication of the progress in the preparation and completion of the report; and in particular, will the many, many people in Canada who will be affected by this report be able to look forward to completion within a very short time, since this process has gone on for a considerable period of years?

Hon. John C. Munro (Minister of Labour): Yes, Mr. Speaker, the hon. member is quite right; Dr. Hall has been working on this report for a longer time than either he or the government anticipated. I have talked to the various union officials involved, who are very concerned about this on behalf of their membership. I believe it is fair to say that they are entirely satisfied that Dr. Hall is proceeding in a very thorough fashion indeed and that the report will be a thorough one; so, for that reason, they understand the delay. In short, I hope to have the report soon; before the end of June was my last firm indication.

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MANPOWER

POSSIBILITY OF PROGRAMS TO CREATE SUMMER EMPLOYMENT FOR STUDENTS—GOVERNMENT POSITION

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, in the absence of the Minister of Manpower and Immigration, may I direct my question to the Acting Prime Minister. In view of the fact that the government has done away with OFY, and with it two-thirds of the jobs that were available through the SSEAP program, in view of the fact that without this program unemployment among students last year would have been above 14 per cent according to the government's own evaluation of the program, and in view of the fact that the lack of summer unemployment will mean many students will be unable to return to school in the fall and this will hit hardest on working and low income families, making it even more difficult for them to send their children to post-secondary schools, is the government prepared now either to bring in an emergency summer employment program to allow these students to work and pay their way back to school or admit that they find an unemployment rate of 14 or 15 per cent among students acceptable, since it is clear private sector hiring will not pick up the slack?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I suggest that this question should be put to the Minister of Manpower and Immigration when he is here. There is a very considerable array of programs and I think he should have the opportunity of replying in detail.

[Mr. Abbott.]

SUPPLY AND SERVICES

LOCKHEED CONTRACT—REQUEST FOR DETAILS OF ALLEGED NEW PROPOSAL

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, my question is for the Minister of Supply and Services and has to do with the fact that Lockheed have indicated that they have put a new proposal to the government for the purchase of LRPA's. I know that the minister cannot give us the details of any proposal that has been put, but in general terms can he advise us whether it involves a renewed attempt on the part of Lockheed to borrow funds, or a proposal to delay the start of the project until the Department of National Defence has more funds available, presumably with some cost change, or is there now some sort of United States government backed guarantee on the viability of Lockheed against which the Canadian government might itself feel tempted to borrow? Would the minister advise us in general terms?

● (1150)

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, unfortunately, I cannot give a specific answer to the hon. member because, to my knowledge, we have not received any new proposals from Lockheed. I have the same information as the hon. member that Lockheed is reported to be working out a new proposal. We have, of course, indicated that the previous proposal was turned down because Lockheed could not secure financing. However, if they want to submit further proposal in line with the budgetary requirements of the government and the military requirements for the implementation of the program, we would be quite willing to consider it as well as any proposal from other companies.

[*English*]

LOCKHEED CONTRACT—BASIS ON WHICH LETTER OF INTENT SENT TO COMPANY—ASSURANCE FROM NATIONAL DEFENCE OF NEW PROPOSAL

Mr. Walter Baker (Grenville-Carleton): I have a supplementary, Mr. Speaker. In view of the lack of communication between the Minister of National Defence and the Minister of Supply and Services with regard to this matter, and in view of the fact that the Minister of Supply and Services has laid the blame pretty heavily on the Minister of National Defence for having entered into this large transaction on only a verbal assurance, could the minister advise the House of two things: When the letter of intent was sent in December to Lockheed—and that letter of intent was tabled here—was it on the basis of verbal assurance from the Minister of National Defence or did the Minister of Supply and Services make any attempt to back up that verbal assurance in any written way in the form of a commitment and, second, having regard to the attack the Minister of Supply and Services has publicly made in respect of the negotiating abilities of the Minister of National Defence would he assure us that he apprise himself that there had been in effect an offer made to the Minister of National Defence by Lockheed in respect of this matter because the minister's answer to the first question indi-

cates that apparently he does not know. Would he ask the Minister of National Defence what is going on?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I want first to clear up a point about which I believe the hon. member has some misgivings. I never blamed the Minister of National Defence. I said, as he said himself in the House, that a general had verbally accepted an offer from Lockheed for the financing of the project by that company. I feel it was a big mistake, and the general should obviously have asked Lockheed to put that offer in writing. That is quite clear.

It was also quite clear that if Lockheed had made a new proposal to the government, it would have made it to the LRPA project management group, and then I would have been informed at the same time as the Minister of National Defence. Therefore, if I say that we have not received any offer, it is because neither I nor the Minister of National Defence have heard of any offer.

* * *

[*English*]

ENERGY

GASOLINE—PRICE DIFFERENTIAL BETWEEN URBAN AND RURAL AREAS—GOVERNMENT ACTION

Mr. Craig Stewart (Marquette): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Since government policy has again resulted in a rise in the price of gasoline, and since these increases will soon be felt at the retail pumps, as well as the fact that in most areas of Canada there is a large spread in the retail price of gas between larger urban centres and rural areas—as an example, in Manitoba the spread in gas prices between Winnipeg and rural communities only 50 miles away is 16 cents per gallon at stations owned by major oil companies—has the minister had a discussion with the Minister of Consumer and Corporate Affairs and is there an intention to take action against these oil companies because of this price discrimination against residents of rural areas.

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I understand that the combines section of the Department of the Minister of Consumer and Corporate Affairs already has this particular industry under investigation.

* * *

THE QUEEN

DATE OF STATEMENT ON PLANS TO CELEBRATE HER MAJESTY'S SILVER JUBILEE

Mr. Stan Schumacher (Palliser): Mr. Speaker, my question is for the Secretary of State. It arises out of the Prime Minister's apparently disinterested answer to the hon. member for Halifax-East Hants question concerning Canada's efforts to celebrate Her Majesty's Silver Jubilee. I wonder when he will be ready to make a statement to this House and to the country concerning the way we as a nation will celebrate our sovereign's anniversary?

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, I do not know where the hon. member got his impression of disinterest. It does not seem to be based on fact. A statement will be made in June.

* * *

INDUSTRY

COMPENSATION FOR COMPANIES WORKING ON CANDU REACTOR FOR INDIA IN VIEW OF CANCELLATION OF CONTRACT—GOVERNMENT POSITION

Mr. Bruce Halliday (Oxford): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. It relates to a matter he has had under review as has his predecessor over the last two years. In view of the announcement by the Secretary of State for External Affairs of the cancellation of the sale of the CANDU reactor to India, is the minister able to tell us now what the position of the government will be in relation to compensation for those companies which have completed or partially completed the equipment for that reactor.

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, I cannot answer the hon. member with precision because the matter is now being examined and one or two of the issues involved are in fact before the courts. However, I think I can assure the hon. member that a satisfactory settlement will be achieved quite rapidly now that a decision with regard to any further shipments to India has been made.

* * *

ENERGY

GASOLINE—POSSIBILITY OF REDUCTION IN EXCISE TAX IN VIEW OF PRICE INCREASE

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, my question is supplementary to that asked by my colleague the hon. member for Marquette and is directed to the Minister of Energy, Mines and Resources. In light of the fact that the extremely regressive effect of the government's 10 cents a gallon excise tax on gasoline will involve complications for those people who have been forced to move out of urban areas because of the high housing costs and have to commute to the city from rural areas, can the minister indicate whether the government is giving consideration to a reduction in the excise tax which would be phased in at the same time as the government's announced plan for an increase in gasoline prices?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I should like to point out to the hon. member that the budget was presented two nights ago.

Oral Questions

SOCIAL SECURITY

ELIGIBILITY OF SINGLE PERSONS, WIDOWS AND DIVORCED SPOUSES BETWEEN AGE 60 AND 65 FOR OLD AGE PENSION

Mr. Andy Hogan (Cape Breton-East Richmond): Mr. Speaker, my question is for the Minister of National Health and Welfare. When can we expect the discrimination embodied in legislative changes in the extentions of old age pensions and the supplement that were passed last year to be corrected so that single persons, widows, and separated and divorced spouses who are past age 60 but not yet age 65 will be assisted under the old age security scheme?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I am pleased to suggest to the hon. member that he refer to my speech on second reading of the bill as well as to what I said in committee. He will find there all the answers to the questions he put.

* * *

[*English*]

MULTICULTURALISM

FILLING OF VACANCIES ON CONSULTATIVE COUNCIL

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my question is directed to the Minister of Labour who is in charge of multiculturalism. On May 17, 1976 the terms of one third of the members of the Canadian Multiculturalism Consultative Council expired. What steps is the minister taking to fill these vacancies?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, recommendations with regard to replacements are now being considered by the government and are being processed. I hope an announcement can be made shortly.

Mr. Paproski: Mr. Speaker, when will the minister take steps to correct this gross insult to the multicultural community and do we have to wait until 1978 before he will get off his backside and do something about it?

Mr. Munro (Hamilton East): Mr. Speaker, I think that is a gross exaggeration on the hon. member's part. The fact of the matter is that many ethnic cultural communities are sending in recommendations concerning people who might fill these vacancies.

Mr. Paproski: This government just does not care about the other third of the people of Canada.

Mr. Munro (Hamilton East): I am sure the hon. member would want those communities to be given every consideration. I would be pleased to receive some suggestions from the hon. member.

[Mr. Gillespie.]

• (1200)

REGIONAL ECONOMIC EXPANSION

DREE FUNDING FOR AREAS IN WHICH MILITARY BASES WILL BE CLOSED—REASON FOR FAILURE TO PROVIDE FUNDS

Mr. Bob Brisco (Kootenay West): My question is directed to the Minister of Regional Economic Expansion. In view of the fact that yesterday in the minister's response to my question he indicated—will you guys, shut-up?

Mr. Speaker: Order, please. I think I should say to the hon. member that I was reluctant to intervene, as he did so forcefully, to quieten down his colleagues.

Some hon. Members: Hear, hear!

Mr. Brisco: I return to my question, Mr. Speaker. In view of the fact that the minister indicated yesterday there was close consultation on the DREE program with the Department of National Defence and with the Minister, will he now indicate why there is no provision in the supplementary estimates for DREE funding for the areas in which these military bases will be shut down, and why this issue has never been raised in discussions with reference to DREE programs?

[*Translation*]

Hon. Marcel Lessard (Minister of Regional Economic Expansion): As I said yesterday, Mr. Speaker, in our budget we cannot provide for sums of money that might be required to face hypothetical or possible situations. We lined up our estimates for the coming 12 months. No decision has yet been announced, that I know, and if such decisions were taken by the cabinet they would be announced, at which time the effective date of any shut down of military bases, if any, would also be made known.

The government would also announce at that time what steps it has decided to take to remedy the negative effets of the closing down of the military bases in question. Discussions are now going on in cabinet in this regard. I am also in the process of discussing with my colleague for national defence what steps could be taken if we were to decide to close down a given military base or other. But until such time as a decision is reached, my department cannot announce programs nor provide moneys for such programs.

[*English*]

ATTITUDE OF DEPARTMENT TOWARDS PROGRAMS FOR BRITISH COLUMBIA

Mr. Bob Brisco (Kootenay West): Mr. Speaker, in view of the fact that this is all theory, can the minister also say, in light of comments from senior officials of the provincial government of British Columbia dealing with economic expansion, that DREE is also applying lip service to British Columbia in that British Columbia has responded that it is apparently one of the have provinces and the DREE program is of no interest there. What is the minister's attitude towards British Columbia?

[*Translation*]

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, once again, I should like to say that our department has not in the past been much

involved in the Western provinces, it is true and we admit it, but gradually it has become increasingly involved. British Columbia is now facing a new situation. Unemployment is on the increase. In recent years there have been more problems and that is why the Department of Regional Economic Expansion intends, this year as well as next year, to participate with the provincial government in a job-creating program in that province.

I mentioned this involvement to the hon. member when the estimates of my department were being considered by the committee a few days ago, and I intend to pursue this objective, that is to implement more of our programs in British Columbia.

* * *

[*English*]

BUSINESS OF THE HOUSE

ORDER OF BUSINESS FOR TODAY

Mr. Sharp: Mr. Speaker, as I indicated yesterday when dealing with House business, there have been discussions with the House leaders about the possibility of dealing with Bills S-34 and S-35 today. These discussions were continued yesterday and today. I understand it is now agreed that second reading of Bill S-35 will be the first order of government business today. This will be followed by Bill S-34. Because of the urgency of this piece of legislation which relates to airport security, and its non-controversial character, I shall seek unanimous consent to consider it in committee of the whole, rather than in the standing committee, and dispose of all the stages today. We shall then return to debate on second reading of Bill C-84.

Mr. Baker (Grenville-Carleton): Mr. Speaker, there were some things happening around me. I should like to be quite certain that I understand the intention of the government. Are we to deal with the health and welfare matter first?

Mr. Sharp: Only the second reading.

Mr. Lumley: Mr. Speaker, I rise on a question of privilege. A few moments ago, during the question period, in putting a question to the Acting Prime Minister the hon. member for Winnipeg North made reference to an interview with myself on the CBC national news last night. As usual, the opposition has distorted the facts. I think that a careful check of the record will show that this member of parliament endorses the government's change in the UIC policy based on the commitment that these funds will be reallocated into job creation and job training programs.

Some hon. Members: Hear, hear!

Mr. Lumley: The backbench of the government party is conscious of the fact that Canada is the envy of the western industrialized world in job creation.

Some hon. Members: Hear, hear!

Mr. Orlikow: Mr. Speaker, I rise on the same question of privilege. I think that a perusal of *Hansard* will show that I stated that the hon. members I quoted had expressed reservations and opposition to the proposals unless there were certain conditions set. I think the record will show that I did not distort the facts.

Mr. Nowlan: Mr. Speaker, I appreciate the fact that the Minister of Supply and Services has come back to the House, in view of the answer he gave to my friend the hon. member for Grenville-Carleton. I understand the minister will be catching a plane, so my point will be brief. But it is very fundamental, in my opinion, Mr. Speaker. As I understood the answer given by the minister to my friend, he did not agree with my friend that there was a difference of opinion between the Minister of National Defence and himself, but he spoke about some mythical general, I assume in the Department of National Defence, and it seemed strange in the opinion of the minister that he should have made a verbal commitment which got us into this whole fiasco—

Some hon. Members: Order.

Mr. Nowlan: —of financing the front end or the tail end of the Lockheed plane. I say this is fundamental, because when you speak about something called ministerial responsibility—

Mr. Guay (St. Boniface): What do you know about it?

Mr. Nowlan: The hon. member for St. Boniface would not understand about ministerial responsibility, but his seatmate might. I am speaking about ministerial responsibility with regard to a public servant or a general in the Department of National Defence. I do not think the minister should stand in the House and evade a question from my friend, the hon. member for Grenville-Carleton, by saying that there is some general who made a verbal commitment and yet there is no difference of opinion between the minister and the Minister of National Defence. I do not know what we can do about it today, but if such an answer is to be allowed, then, goodness gracious, we will be doing a great disservice. Perhaps the minister did not intend to give that answer, but he can certainly do a great disservice to the public servants, of whom a general is one, who obviously cannot come to this House and reply. Basically, if there was someone under the minister's responsibility who made a mistake, then certainly in this day and age the minister must take the responsibility, not some general or some corporal.

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I am quite surprised at the hon. member's violent outburst, since the Minister of National Defence (Mr. Richardson) a few weeks ago had already explained to the House the circumstances which I pointed out myself where a general from his department had got the verbal assurance from Lockheed Corporation that the LRPA project financing would be borne by that corporation. He himself indicated that unfortunately the general had not got the written agreement and, of course, as the one responsible for government purchases I feel that was a serious mistake.

At that time, I heard no violent reaction as I just did from the hon. member about the ministerial responsibility or the revealing of this fact. This fact has been well known for a few weeks and I do not understand why today one

would want to make a fuss about it. I for one regret that the government was placed in such a situation. I can assure the hon. member that I was not made aware of such a possibility before sending a telex—which constitutes a letter of agreement—to Lockheed authorizing that company to start some preliminary work before the final contract.

● (1210)

[*English*]

Mr. Baker (Grenville-Carleton): Mr. Speaker, on the same point of order, the minister might be surprised at the violence of the intervention by the hon. member for Annapolis Valley, but I hope he is not surprised about the propriety of the principle with respect to the point raised by the hon. member. I think it is an old tradition that one does not attribute to public servants the responsibilities which are those of the ministers who occupy a very special position.

However, the interesting thing about this matter is that at the time the transaction collapsed, the Prime Minister also indicated that the source of the problem was that the cabinet had been told that Lockheed could provide the money. Each minister seemed conveniently to forget that not only the Minister of National Defence, a brother minister and a member of the ministry who has responsibility, believed in the verbal commitment, but the whole cabinet apparently believed in it, too. Not one cabinet minister, least of all the Minister of Supply and Services, has said that he looked for a written assurance before Lockheed was authorized to start on December 2.

The point is being made by the hon. member for Annapolis Valley—and I think it is being made quite well—that there is a responsibility upon all ministers with respect to this matter. There may be the intervention of public servants who act within the course of their duty or outside the course of their duty, but I think the point has to be made, reinforced and hammered home here that the responsibility for what has happened, regardless of where the trouble began, lies with the ministry. The hon. member for Annopolis Valley is quite right in suggesting that out of the answer today and, indeed—as the minister said—out of the answers of his colleague, the Minister of National Defence, there has been an attempt to deny what is fundamental to our parliamentary practice, that is, the question of responsibility of ministers of the Crown for what their employees do in their name in the course of their duties.

May I say that that also applies to another affair in this House with regard to officials acting outside the course of their duties when those officials are directly responsible to a particular minister. I think it is a very important principle and it ought not to be forgotten in this parliament.

Mr. Speaker: Order, please. The point of order, in so far as it goes beyond a disagreement with the interpretation of the minister's remarks, raises a question about the theory of ministerial responsibility, and perhaps it would be well for all hon. members to reflect, having received over the weekend the *Hansard* transcript of exactly what was said, and to see whether it does in fact attack that fundamental and important consideration, but it is a point too fundamental and too important to be given a rather cursory treatment on the basis of an oral answer today.

[Mr. Goyer.]

Mr. Brisco: Mr. Speaker, I think that in view of the fact that my intemperate outburst did not specifically point to any particular member or to a particular part of the House, it should be clearly understood that I was not labelling my fellow members on this side of the House as being noisy and intemperate but, rather, my hon. friends across the way.

Some hon. Members: Oh, oh!

ROUTINE PROCEEDINGS

[*English*]

HEALTH, WELFARE AND SOCIAL AFFAIRS

Twelfth report of Standing Committee on Health, Welfare and Social Affairs—Mr. Robinson.

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

* * *

[*Translation*]

SUPPLEMENTARY ESTIMATES (A), 1976-77

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, I wish to present a message which Your Honour read to the House and by which His Excellency the Governor General is transmitting Supplementary Estimates (A) with regard to sums required for the service of Canada for the financial year ending March 31, 1977.

[*English*]

Hon. Mitchell Sharp (President of the Privy Council) moved that supplementary estimates (A), 1976-77 tabled this day be referred to the Standing Committee on Miscellaneous Estimates.

Motion agreed to.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 5,003, 5,014, 5,016 and 5,292.

I ask, Mr. Speaker, that the remaining questions be allowed to stand.

[*Text*]

PUBLIC WHARF—LOIS LAKE—ABITIBI WEST—QUEBEC

Question No. 5,003—**Mr. Caouette (Villeneuve):**

1. Does the public wharf located on the shore of Lois Lake, Privat Township, County of Abitibi West, belong to the government and, if so, in what year was it built?

2. Does the government own the road leading to the wharf and, if so (a) by whom was it built (b) in what year (c) at what cost?

Hon. C. M. Drury (Minister of Public Works): In so far as the Department of Public Works is concerned: 1. Yes, constructed in 1962. This structure was originally built by Department of Public Works and is now under the administration of the Small Craft Harbours Branch, Minister of State (Fisheries).

2. No. (a) Unknown; (b) Unknown; (c) Unknown.

Re: (a), (b) and (c), The Department of Public Works obtained a 4500 foot long × 66 foot wide right of way from Mr. Patric Cloutier on May 31, 1961 at no cost to the department.

RETIRED FEDERAL CIVIL SERVANTS RE PENSIONS

Question No. 5,014—**Mr. Knowles (Winnipeg North Centre):**

1. How many retired federal civil servants are receiving pensions, including their basic pensions and any supplement or supplements added thereto, of amounts within each of the following brackets (a) less than $20.00 per month (b) $20.00 to $29.99 per month (c) $30.00 to $39.99 per month (d) $40.00 to $49.99 per month (e) $50.00 to $59.99 per month (f) $60.00 to $69.99 per month (g) $70.00 to $79.99 per month (h) $80.00 to $89.99 per month (i) $90.00 to $99.99 per month (j) $100.00 to 149.99 per month (k) $150.00 to $199.99 per month (l) $200.00 to $249.99 per month (m) $250.00 to $299.99 per month (n) $300.00 per month and over?

2. How many widows of civil servants or of retired civil servants are receiving pensions, including their basic pensions and any supplement or supplements added thereto, of amounts within each of the brackets indicated in the above question?

3. What is the number of retired civil servants and also the number of widows of civil servants or of retired civil servants presently residing in each province?

4. In respect of how many orphans of federal civil servants are pensions being paid and what is the average amount thereof?

Hon. Jean Chrétien (President of the Treasury Board): 1. (a) Less than $20.00 per month; (b) $20.00 to $29.99 per month; (c) $30.00 to $39.99 per month; (d) $40.00 to $49.99 per month; (e) $50.00 to $59.99 per month; (f) $60.00 to $69.99 per month; (g) $70.00 to $79.99 per month; (h) $80.00 to $89.99 per month; (i) $90.00 to $99.99 per month; (j) $100.00 to $149.99 per month; (k) $150.00 to $199.99 per month; (l) $200.00 to $249.99 per month; (m) $250.00 to $299.99 per month; (n) $300.00 per month and over.

1.	Annuitants	2.	Widows
(a)	159	(a)	232
(b)	183	(b)	884
(c)	493	(c)	1,361
(d)	896	(d)	1,491
(e)	1,247	(e)	1,454
(f)	1,407	(f)	1,439
(g)	1,445	(g)	1,366
(h)	1,467	(h)	1,188
(i)	1,525	(i)	1,173
(j)	7,474	(j)	5,226
(k)	6,719	(k)	3,739
(l)	5,438	(l)	2,426
(m)	4,805	(m)	1,231
(n)	25,640	(n)	1,934

3.	Annuitants	Widows
Newfoundland	774	322
Prince Edward Island	417	173
Nova Scotia	3,594	1,519
New Brunswick	1,964	804
Quebec	9,464	4,891
Ontario	24,769	10,636
Manitoba	2,762	1,106
Saskatchewan	1,755	695
Alberta	3,447	1,305
British Columbia	9,028	3,251
North West Territories	76	19
Yukon	103	19

4. As at March 31, 1976, 61 orphans were receiving an average of $272.12 per annum.

RETIRED FEDERAL CIVIL SERVANTS RE PENSIONS

Question No. 5,016—**Mr. Knowles (Winnipeg North Centre):**

1. In each year since the Public Service Pension Adjustment Act of 1959 was passed, how many persons have received payments thereunder?

2. In each of the above years, what was the total amount paid out under the said Act?

3. In each of the above years, what was the average amount paid under the said Act (a) to retired public servants (b) to widows (c) to others?

4. In each of the last five years, either calendar or financial, for which statistics are available, how many pensions under the Public Service Superannuation Act (a) to retired public servants (b) to widows of public servants or widows of retired public servants, have been discontinued because of the death of the superannuate?

Hon. Jean Chrétien (President of the Treasury Board): 1. How many persons have received payments since Act of 1959?

Year	Number
1959-60	14311
1960-61	13885
1961-62	12533
1962-63	11709
1963-64	10852
1964-65	10077
1965-66	9078
1966-67	8162
1967-68	7483
1968-69	6860
1969-70	6651
1970-71	6474
1971-72	5793
1972-73	4647
1973-74	3901
1974-75	3253
1975-76	2706

Order Paper Questions

2. In each of the above years—total amount paid out under the said Act

Year	Amount
1959-60	$3,112,231
1960-61	$2,956,515
1961-62	$2,817,263
1962-63	$2,657,706
1963-64	$2,504,503
1964-65	$2,344,711
1965-66	$2,236,212
1966-67	$2,038,329
1967-68	$1,905,478
1968-69	$1,777,869
1969-70	$1,641,304
1970-71	$1,515,000
1971-72	$1,368,879
1972-73	$1,000,941
1973-74	$ 838,715
1974-75	$ 697,981
1975-76	$ 501,691

3. In each of the above years—average amount paid under said Act; (a) to retired public servants; (b) to widows; (c) to others.

Year	(a) Public Servants	(b) Widows	(c) Others
1959-60	$226.72	$124.88	$12.32
1960-61	$225.43	$124.42	$11.79
1961-62	$222.01	$123.92	$10.35
1962-63	$220.60	$123.59	$10.06
1963-64	$220.26	$123.75	$ 7.99
1964-65	$217.94	$123.08	$ 6.19
1965-66	$216.03	$122.69	$ 7.13
1966-67	$212.52	$122.64	$ 5.93
1967-68	$210.27	$121.27	$ 6.11
1968-69	$208.19	$119.21	$ 4.56
1969-70	$196.52	$125.05	$ 5.79
1970-71	$184.83	$127.87	—
1971-72	$177.51	$130.19	—
1972-73	$174.19	$128.47	—
1973-74	$163.05	$114.27	—
1974-75	$161.17	$102.98	—
1975-76	$158.27	$101.01	—

4. In each of the last five years—pensions paid under the P.S.S.A. which have been discontinued because of death.

(a) Retired Public Servants		(b) To widows	
1968-69	1751	1968-69	514
1969-70	1899	1969-70	508
1970-71	2060	1970-71	577
1971-72	2269	1971-72	588
1972-73	3081	1972-73	687
1973-74	2488	1973-74	750
1974-75	2250	1974-75	532
1975-76	2367	1975-76	681

[Mr. Chrétien.]

MR. RICHARD O'HAGAN

Question No. 5,292—**Mr. Cossitt:**

1. On what basis is Mr. Richard O'Hagan associated with the Prime Minister's Office including (a) term of employment or contract (b) exact annual salary?

2. What is a full description of his duties and (a) does this include improving public relations of the Prime Minister (b) was the last Gallup poll a factor in determining Mr. O'Hagan's duties?

3. Did Mr. O'Hagan schedule an interview with the Prime Minister for Allan Fotheringham of the *Vancouver Sun* and *MacLean's Magazine* and, if so (a) was this cancelled at the last minute by the Prime Minister (b) was one of the reasons for the cancellation complaints about the pending interview from British Columbia Liberal Members of Parliament and, if so, does this indicate a new policy on the part of the Prime Minister to grant interviews only to members of the news media approved in advance by Liberal Members of Parliament?

Right Hon. P. E. Trudeau (Prime Minister): 1. A copy of the public communiqué announcing Mr. O'Hagan's nomination and functions is being sent to the honourable member. (a) and (b) Mr. O'Hagan is on loan from the Department of External Affairs and will be appointed to the Prime Minister's staff under Section 37(1) of the Public Service Employment Act in the salary range $35,500-$47,500.

2. See communiqué referred to in 1.

3. Arrangements that may lead to interviews with the Prime Minister with representatives from the media is not of public record.

GOVERNMENT ORDERS

[*English*]

PROPRIETARY OR PATENT MEDICINE ACT, AND TRADE MARKS ACT

MEASURE TO EXTEND LICENCE DATE

Hon. Mitchell Sharp (for the Minister of National Health and Welfare) moved that Bill S-35, to amend an act to repeal the Proprietary or Patent Medicine Act and to amend the Trade Marks Act, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. Bob Kaplan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, hon. members will no doubt recall that approximately one year ago

parliament enacted Bill S-9, an act designed to repeal the Propriety or Patent Medicine Act. The PPM Act, as it is commonly termed, has served Canada well for over half a century, but certain of its provisions—notably, that relating to the secrecy of the ingredients contained in patent or proprietary medicines—were considered anachronistic.

Accordingly, Bill S-9 provided for repeal of the PPM Act effective July 1, 1976, with control of proprietary or patent medicines then to be carried out under the Food and Drugs Act and regulations. Royal assent for Bill S-9 was received on April 24, 1975. On the basis of the best information available then, it was believed that the period of time allowed to both industry and the provinces was adequate to ensure the orderly transition from control over proprietary medicines under the PPM Act to the Food and Drugs Act.

During the intervening period, industry has found considerable manufacturing difficulty in achieving the necessary labelling changes in order to meet the July 1, 1976, deadline. Problems related to the availability of labels, the need to have new registration numbers and adequate production lead time have created a situation whereby manufacturers of proprietary medicines have advised the government that they would be unable to continue having their products available to the general public unless the date of repeal was extended.

There are various classes of drug products and differing legislation controlling their sale. Prescription drugs may only be sold on the authorization of a prescription issued by a practitioner, and the medication can only be sold in pharmacies. Non-prescription drugs may be sold without the authorization of a practitioner, and by virtue of provincial legislation, non-prescription drugs not presently registered under the Proprietary or Patent Medicine Act can only be sold in drugstores or pharmacies. By virtue, also, of provincial legislation, exemptions are made for proprietary medicines presently registered under the Proprietary or Patent Medicine Act so that they may be sold in non-pharmacy outlets. In consultation with the provinces, there has been general agreement that the public should continue to have access to products for the self-medication of the symptoms of minor, self-limiting ailments.

● (1220)

Repeal of the Proprietary or Patent Medicine Act requires, therefore, that the provinces amend provincial pharmacy legislation to refer not to the Proprietary or Patent Medicine Act but to proprietary medicines in division 10 of the Food and Drugs Act and regulations. The federal government, based on assurances at the official level, had expected that the necessary changes in provincial legislation would be undertaken in time to accommodate the change in federal legislation. Some of the provinces have not as yet made the changes necessary to permit the sale of these products as proprietary medicines. Barring unforeseen circumstances, it is expected that all the required changes in provincial legislation will be enacted by the proposed repeal date of April 1, 1977.

These two factors make it necessary to extend the repeal date. Otherwise, Mr. Speaker, there would develop a situation in which the general public, after July 1—which is only one month away—could not legally obtain products for self-medication to which they have normally turned for treatment of minor ailments such as headaches, indigestion and other symptoms of minor disorders. The bill before this House today is designed to ensure that there is an orderly and appropriate transition period in which continuity of availability of proprietary medicines is assured.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, this bill was before the House about a year ago and we expressed agreement at that time. I am now a little sorry that we rushed it through all stages at one sitting, I believe, on the assurance of the Minister of National Health and Welfare (Mr. Lalonde) and his parliamentary secretary that they had done their homework and all was in order. It now appears that was not the case, for we are dealing with the same bill again. We have to ask ourselves why this is necessary and, Mr. Speaker, we can come to only one conclusion: the gross incompetence of this government or at least its arrogance and failure adequately to consult with the drug manufacturers.

I am sure some information must have been available about how long it would take to change the labelling and get new materials printed. On the basis of the general behaviour and attitude of this government, I am inclined to think there was no real consultation with the drug manufacturers a year ago which would have enabled the government to make a better prognostication of the time required. We have seen this attitude in its dealings with the provinces in the past.

The parliamentary secretary carefully worded his comments so as not to say whether there had been consultations with the provinces when the bill was first proposed and passed a year ago, or whether there has been consultation now. He said he has reason to believe it will be ready by April 1, but did not say that he had consulted the provinces and did not give any assurance that April 1 is a satisfactory date. On the basis of the government's past performance, we cannot tell that it is a suitable date. There is no evidence that the drug manufacturers will be ready by then, or that the provinces will have amended their pharmacy acts by that time.

Before passing this legislation we would need to get some assurances from the people involved so that next April we will not, again, find ourselves pressured to pass all stages in a matter of two or three seconds. If the government is to put legislation through in a responsible and serious way, it should do so after a good deal of forethought so that it does not have to come back for amendment within a year, as is happening now.

I should like to conclude by indicating that I am very dissatisfied with the approach the government has been taking in pretty well all spheres of its activity. Its approach consists of a good deal of arrogance—

Mr. Paproski: What else is new?

Mr. Yewchuk: —and no consultation with the people of the provinces or their governments. Unless the parliamentary secretary can give us some more information, I think we will have to insist on calling witnesses before the committee to clarify matters so that we will know that if

this bill, as it is now presented to us, passes it will satisfy the needs of the people affected by it.

Some hon. Members: Hear, hear!

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, I will be very brief. As the previous speaker said, we debated this bill, or a similar one, approximately a year ago. At that time we indicated our support for the intent of the legislation, which was to remove the secrecy aspect of proprietary medicines, a move long advocated by members on this side of the House. I see no objection to prolonging the period to introduce the legislation, but I think that the parliamentary secretary or the minister could provide more information on the reasons for this.

I just want to raise two points, Mr. Speaker. During the previous debate I raised some serious questions regarding regulations that would flow from this particular bill to repeal the Proprietary or Patent Medicine Act. I wondered how it would be encompassed in the total program of the Food and Drugs Act. To date I have not seen any information with respect to that matter, and I think it is pertinent.

With much of the legislation that comes before this House, the regulations are in fact more important than the actual principle of the bill. I make a strong plea to the parliamentary secretary and the minister that far more information should be provided with respect to the ultimate regulations and how they will be intertwined with the Food and Drugs Act.

The second point I want to make is that it is unfortunate the government has only dealt with one small aspect of the many recommendations made in the past regarding changes to the Food and Drugs Act. There have been many reports over the years, the most important being the report of the Le Dain commission which met over a long period of time at a cost of several million dollars. When one reviews the report carefully, one finds numerous recommendations that would improve the Food and Drugs Act. Unfortunately, we have seen only one small aspect of those regulations improved.

In closing, I would say that we support the principle of this bill and the extension of the period for a short time. I emphasize, the government has tended not to make known the extent of the regulations, without which it is difficult to evaluate the thrust of the bill. These regulations are most important. Second, and equally important, I feel that the government has not acted on some of the comprehensive recommendations made in the past by the Le Dain commission.

● (1230)

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

Some hon. Members: Question.

The Acting Speaker (Mr. Turner): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

[Mr. Yewchuk.]

Motion agreed to, bill read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. Sharp: Mr. Speaker, I rise on a point of order in connection with Bill S-34. When I was dealing with the business of the House for today, I indicated that I would seek unanimous consent for two propositions: first, that the bill should be referred to the committee of the whole House rather than to the transport and communications committee, which now appears on the order paper; second, that if it is agreeable and the House gives unanimous consent, the House should consider the bill at all stages today.

The Acting Speaker (Mr. Turner): Is this agreed?

Some hon. Members: Agreed.

* * *

AERONAUTICS ACT

MEASURES RESPECTING SECURITY PROGRAM TO BE CARRIED OUT BY FOREIGN CARRIERS

Hon. Mitchell Sharp (for the Minister of Transport) moved that Bill S-34, to amend the Aeronautics Act, be read the second time and referred to the committee of the whole House.

Motion agreed to, bill read the second time and the House went into committee thereon—Mr. Turner in the chair.

On clause 1—*Security Measures.*

Mr. Goodale: Mr. Chairman, perhaps at the outset I might usefully touch sketch the gist of this legislation. May I say that we appreciate the co-operation of hon. members in expediting consideration of this bill. Hopefully, we shall finish all stages by one o'clock.

Canada has been one of those countries which has expressed growing concern about the threat to international air transportation posed by unlawful interference with civil aviation. This concern is, of course, heightened by the approach of the summer Olympics in Montreal and the UN conference on human settlements which is just beginning in Vancouver.

A security program for civil aviation in Canada has been developed over the past few years in co-operation with air carriers. This program follows closely the standards and recommended practices for the protection of civil aviation as set out in annex 17 of the International Civil Aviation Organization. It began with the amendment of part 5 of the Aeronautics Act which was passed in the House of Commons on July 27, 1973.

In effect, the Aeronautics Act now authorizes the governor in council to make regulations requiring the owners or operators of aircraft registered in Canada to establish, maintain and carry out such security measures as may be prescribed by the regulations. Accordingly, regulations have been enacted imposing the obligation of security measures on the owners and operators of aircraft registered in Canada. The act, however, does not authorize

regulations which would impose the obligation of similar security measures to be established and carried out by foreign air carriers operating into and out of aerodromes in Canada.

Under the present wording of the act, security measures in respect of flights by foreign air carriers from aerodromes in Canada can only be established and carried out by the Ministry of Transport itself, the result being that Canadian air carriers are burdened with the expense of establishing and carrying out their own security measures, while the Ministry of Transport must bear the burden of establishing and the expense of carrying out security measures in respect of passengers departing Canada with foreign air carriers. This is, obviously, somewhat discriminatory.

In addition, the absence of security measures by foreign air carriers transporting passengers into aerodromes in Canada is of considerable importance as many European countries do not screen passengers or goods leaving their country by aircraft. The coming international events in Canada point out the necessity of requiring foreign air carriers operating into aerodromes in Canada to adopt a security program in respect of all passengers and goods intended to be carried into and out of aerodromes in this country.

The amendments to section 5(1) as proposed in Bill S-34 are to clarify the authority to require all owners and operators of aircraft, whether registered in Canada or otherwise, to comply with security regulations in respect of flights into or out of Canadian aerodromes. The foreign air carriers would be required to use security measures equivalent to those now followed by Canadian air carriers. As I have said, the operators of Canadian registered aircraft are now required to comply with security regulations at their own expense, whereas foreign air carriers are not so required. The amendment would correct that situation.

The amendments also authorize the Ministry of Transport to institute, on its own, security measures at airports applicable to all carriers, both domestic and foreign. This would enable the ministry to impose charges for any such security services provided. If this service had to be provided without a charge to the carriers, the cost to the department is estimated at approximately $200,000 annually. This provision would only be used on the failure, particularly of foreign air carriers, to adopt a security system equivalent to that used by Canadian air carriers.

The amendments also make it an offence for a foreign-registered aircraft to land at an aerodrome in Canada without having subjected its passengers to security measures equivalent to those followed by Canadian operators. This provision will provide a measure of enforcement. It would, perhaps, be interesting for the House to note that over the past year the government of the United States has similarly moved in this direction through its anti-hijacking act of 1974 and subsequent regulations which came into effect on October 9, 1975.

Mr. Forrestall: Mr. Chairman, in a broad way we welcome Bill S-34, amending the Aeronautic Act, which is to provide, by way of regulation, that foreign air carriers using Canadian airports shall operate under the same security procedures as those applying to Canadian carriers. As the parliamentary secretary mentioned, our concern for security is heightened by our knowledge that in the next few days many thousands of people from all over the world will visit Canada for the Habitat conference.

Our reservations with respect to the bill have not to do so much with the intent of the bill as with the principle inherent in it, namely, that the user of the service shall pay for protection. Clearly, under the bill the airlines must accept the additional cost of security measures connected with visitors who will come to this country for Habitat and the Olympics. We contend that security is the business of the RCMP in this instance. We note, from our own figures, that RCMP security measures will account for between 60 cents and 70 cents of the cost of each air ticket. We wish to voice our reservations about this aspect as we think security is, and has always been, the responsibility of the state. It is up to the state to provide adequate security and police protection for Canadian citizens and visitors to Canada.

Some hon. Members: Hear, hear!

Mr. Forrestall: We argue that at any Canadian international airport at almost any time of day there might be 1,000 emplaning or deplaning passengers and up to 4,000 friends and relatives seeing them off or welcoming them to Canada. Clearly, friends and relatives are not users of the airlines, but the security measures are there for their protection as well as for the protection of shopkeepers and others doing routine business near our airports.

● (1240)

The Minister of Transport deferred announcing the new regulations with regard to the security aspect at our airports. We understand he will be making an announcement early next week. In order to comply with certain undertakings, that will have to be by June 1 or 2. As that is only a few days away, perhaps it is a bit premature for us to be required to do something today with regard to something that is not already in place. I hope we turn a blind eye to it. I understand the pressures. We do not object to it on that particular ground. However, we urge upon the parliamentary secretary our concern with regard to what the regulations will be and how they will be applicable to foreign carriers.

We hope that foreign carriers will not have to bear the security costs for their own policing at international airports in their countries. We hope the minister will heed this representation with respect to these costs and continue, as is right and proper, to require that the general revenues of Canada bear the cost of security and police protection.

I wish to make one comment that has to be made every once in a while. We are constantly faced with the question of why there is a $5 add-on per airline ticket for screening of passengers and baggage at our airports. At Seattle, for example—the parliamentary secretary will be very familiar with this—the cost is only 20 cents per ticket. Even if the cost here is as high as 70 cents, what happens to other $4.30? We are concerned about this in these days of inflation. Any add-on costs have a tendency to be inflationary.

In conclusion, we welcome the bill. It is required if there is to be uniform integrity with regard to security of people moving in and out of our airports on our national carriers

as well as carriers of foreign nations. This bill goes a long way toward that, and we welcome it.

Mr. Mazankowski: Mr. Chairman, I wish to echo the comments of my colleague from Dartmouth-Halifax East supporting the principle of the bill, and to concur with the reservations he has pointed out. Naturally, we have always supported the principle of security at our national airports. Indeed, many of us were instrumental in the passage of the amendments to the Aeronautics Act to, in effect, put this into force. The parliamentary secretary alluded to the fact that this necessitates the co-operation of the air carriers and, indeed, the support and co-operation of all passengers. However, we must point out that the costs for this service have escalated far in excess of that which we were led to believe the costs would be at the time we considered the bill.

I took issue with this particular point on March 11 at the Standing Committee on Transport and Communications. I questioned the minister about the proposal to impose an additional 66-cent charge for RCMP persons at airports, in addition to the 26 cents per passenger which the airlines already collect to cover their security. I asked him to rationalize and justify a cost of that magnitude when evidence indicates that the cost of similar armed guards and security persons at border airports in the United States amounts to something in the area of 14 cents. The minister indicated at that time that negotiations and consultations were going on with the air carrier industry. I understand that a counterproposal has been advanced to the industry. I wonder whether the parliamentary secretary is at liberty to advance that information to the House at this time.

Our fears have not been unfounded. We took it upon ourselves during the committee hearings at that time to emphasize the fact that this should not be another burden placed upon the shoulders of the air traveller. That falls in line with our view that security at our national airports is indeed a matter for a national over-all approach. It is part of total national security, not necessarily security attributed to air travellers, which was elaborated on by my colleague from Dartmouth-Halifax East. We continue to hold that view. The minister gave some indication that he was prepared to reassess the policy of the government in that regard. That is recorded at page 4115 of the proceedings of March 11.

I certainly do not want to hold up the passage of this particular piece of legislation. However, I hope the parliamentary secretary will give us that information at this time. The minister did indicate last March that a definitive position would be arrived at within a couple of months. Therefore, I hope the parliamentary secretary will provide that information to the committee at this time.

Mr. Goodale: Mr. Chairman, I wish to take a few moments to respond to the concerns expressed by the two hon. members who have just spoken. I will try to deal as specifically as I can with some of the precise issues they have raised.

The first general question had to do with the expense of RCMP operations at airports in Canada, and the concern that the total burden of that kind of operation should not be borne by the air carriers and, through them, by the air travelling public in Canada. I want to assure both hon. members that the charges with respect to the RCMP operations are only in relation to the actual security work which they do in connection with boarding passengers. The other functions that they might have in an airport dealing with the ordinary policing function is not paid for by the air carriers and, through them, the travelling public. It is the security aspect only that is dealt with in that way. I hope that will alleviate some of the concern which those hon. members have. The expense incurred in connection with the RCMP is an expense directly related to the security of passengers boarding aircraft. Whatever else they may do in their normal policing function elsewhere at airports and aerodromes in Canada is not a matter that is covered by the particular issue before us today.

The hon. member for Dartmouth-Halifax East made reference to a $5 fee or charge. That is not related to security costs of airport operations. The hon. member for Vegreville asked questions specifically with regard to testimony which was put forward earlier this spring in the transport and communications committee. The charge referred to in that instance was 60 cents or 66 cents. It is my understanding that the actual cost factor is considerably less than that. I am afraid I cannot be more definite today, but I will undertake to provide this information to the hon. member as quickly as possible; indeed, I will try to give a breakdown showing exactly what the security costs are and how they accumulate to the final total, whatever that total is.

● (1250)

Mr. Forrestall: I should like to draw attention to the principle involved here. Some Canadians, for example, find offence in the fact that members of the Canadian armed forces are employed on services in penitentiaries. Our military forces are established to defend all Canadians, whether they happen to be law-abiding or not. The principle with respect to the employment of the security services of our national police force should not be diluted so as to change the character of those services for all Canadians. It should not be diluted by using the services of that national force for a specific purpose or a specific reward.

The protection of all Canadians is the responsibility of the state, and it seems to us that if from time to time we impair the purity of the principle to which I have referred, at some time in the future it will be a lot easier for abuses to take place. This should be kept in mind when considering whether or not any portion of the charge proposed should be set against the cost of our national police force. In our judgment, there should not be.

Mr. Mazankowski: I understood the parliamentary secretary to say that the cost in relation to the RCMP presence covered only the boarding of passengers. Is it not true that the proposal involving the suggested cost of 66 cents was to include the presence of the RCMP on the ground as well as air side?

Mr. Goodale: That is not my understanding, but in order to clarify the situation further I think it would be more informative if I could provide the kind of breakdown to which I have referred. I will bear in mind the question just asked, so that we can be satisfied about which costs are directed to each particular function.

Mr. Mazankowski: If my interpretation is correct, it reinforces the argument we have been advancing. Surely the presence of RCMP personnel on the ground should not be a cost attached to air passengers. If that is the case, and it is my understanding that the 66 cents per passenger boarded would go to defray the cost of RCMP personnel both on the ground and air side, we believe the air traveller is being taxed rather heavily in the interests of national security.

Mr. Goodale: Again, I hope I can resolve that dispute or argument, whatever it might be, arising out of information which was given earlier to the transport committee, by means of the material which I shall be bringing to the House and in particular to the two hon. members who have spoken. I assure the committee that it is neither our desire nor intention that the proper function or role in Canada of the RCMP should be in any way impaired. That function is, of course, primarily one of ensuring peace and security. The questions we have been discussing are really questions of government accounting, the bookkeeping necessary to pay for the kinds of services which are provided, and to ensure that payment comes from appropriate sources. I do not think there is abuse here of the proper function of the RCMP. There is certainly no intention to dilute or downgrade the important role they play in Canadian life. I hope this question can be resolved at least in part by the information on the monetary aspects which I shall be providing.

Clause agreed to.

Clause 2 agreed to.

Title agreed to.

Bill reported.

The Acting Speaker (Mr. Turner): When shall the bill be read the third time?

Mr. Paproski: By leave, now.

Hon. Mitchell Sharp (for the Minister of Transport) moved that the bill be read the third time and do pass.

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

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

● (1410)

GOVERNMENT ORDERS

[*Translation*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed from Wednesday, May 26, consideration of the motion of Mr. Allmand that Bill C-84, to amend

the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Gilles Marceau (Lapointe): Mr. Speaker, in rising to take part in this debate, I have the impression of having to fulfill a very difficult duty. It is perhaps the heaviest responsibility I have had to carry out since I had the privilege to attend the debates of this House and to represent a federal constituency.

In my opinion, it is extremely important to know the environment in which I live and the category of citizens I represent in this House to understand the way I intend to fulfil my responsibility. It is also important that hon. members be aware that my constituents are largely workers. Most of my electors are honest people who work for two large companies, Alcan and Price. The other citizens are small businessmen and I must unfortunately point out that I have to face extremely difficult social conditions because the unemployment rate is 20 per cent and because a large number of citizens, far too many, are poor.

Mr. Speaker, I believe that the decision I have to make today must be based on the mandate I received on the category of people who will be affected by our decision. How can the death penalty influence those people who gave me the terms of reference to represent them? Mr. Speaker, a few years ago already I had the opportunity to take a particular interest in that extremely important debate on capital punishment. On many occasions I met citizens from all walks of life. I discussed with them. I explained to them that the decision I had to make should not be emotional; in other words, I should try not to make a decision after reading newspapers featuring a sordid crime committed the day before, I should try not to react when meeting a group of people who are in an emotional state of mind, which is quite understandable sometime, because of a tragedy some place in this country.

Frankly, Mr. Speaker, one also has to recognize that with such an important decision, my personal opinion should not prevail. It is known and admitted—and I never hesitated to say so—that I never believed violence could solve any sort of problem, either in my family or in my province, my country or within the government. It is a stand that I am prepared to take any time, anywhere and in anyone's presence.

However, as I have said, this personal opinion does not necessarily reflect the decision I must take.

Mr. Speaker, in order to make a valid, thoughtful and responsible decision I should not follow an emotional reaction of mine nor my own view on this matter.

Above all, I must ask myself where lies the real interest of all the citizens I represent in this House and how I can uphold and protect it. Mr. Speaker, I feel that the only way to deal with the issue of capital punishment is to consider scientifically the effects of its retention or its abolition. Indeed, one cannot overemphasize the danger of false conclusions based on of vague terms and inaccurate figures found in reports on crime, particularly when such reports can lead to changes in the policy on crime.

The five major questions which, in my opinion, should be asked and which influenced my position are the follow-

ing: first, are murders on the increase in Canada, and if so, is it due to the suspension of the death penalty? Second, is the death penalty effective as a deterrent? Third, how effective is the death penalty as a means to control and prevent crime? Fourth, what is the age and profession of the people charged or convicted of murder? Finally, the fifth question, what relationship is there between murderers and their victims?

Is it necessary, Mr. Speaker, to specify that the problem of capital punishment will not be solved, I admit, only through scientific research with moral and theological aspects related to the only basic question: Is life the most precious of all possessions? Does society have the right to take it away from a human being considered undeserving? Does the action of the state doing away with a criminal for good become revenge? Is it an act of violence by society against someone blamed of having been violent?

Regarding the first question, Mr. Speaker, about the impact of the increase in murders and criminality, I would like to make one point clear. Some rather interesting statistics in this regard show that the number of murders as such has increased at an average rate of 0.5. In other words, between 1965 and 1974, the average increase in murders has not been what certain people say. This average has been constant. What has gone up, though, is the number of criminal offences, and an important distinction must be made. Aggravated thefts, assaults and attempted assaults have increased. This indicates, Mr. Speaker, that violence is on the increase in our society, all forms of violence, verbal violence, written violence, violence in families, in society everywhere. This is where the real problem is. This violence, which we foster about everywhere, leads to murder. But when we want to control murder, we do not come to grips with the root of the problem but only with its head.

● (1420)

Mr. Speaker, the second part of the question I was asking myself a few minutes ago is this: did the abolition of the death penalty increase crime in general? I would like to remind you of a very important and useful comment of the British committee in the conclusions to its studies of the death penalty.

The general conclusion that they have reached is that, in all the figures which they have studied, there is no definite proof that the abolition of the death penalty may have led to an increase in the homicide rate or that its re-establishment may have led to a decrease.

Mr. Speaker, this brings me to study very important statistics. I do admit that statistics are not sufficient indications, but they are very useful. For example, between 1970 and 1974, a study was made in the United States in various abolitionist and non-abolitionist states. These statistics are extremely precise and interesting. You can notice than in ten abolitionist states, where the death penalty does not exist, the crime rate varies between 4.6 and 5.8 per cent, which means that it is rather low. The same study has been made in 40 non-abolitionist states, where the death penalty does exist. In these 40 states, the murder rate varies between 7.8 and 8.8 per cent. This is an indication that the death penalty has such, and this is what I assert, does not have a real effect on the crime rate. For example, in Georgia, which is a state where the death penalty exists, the crime rate is 17.8 per cent. If we also look at the statistics in other countries of the world, we can notice, for example, that in Europe in general, the countries which have abolished the death penalty have rather low homicide or murder attempt rates. For example, among these nations are Austria, Denmark, Finland, Norway, Sweden and the United Kingdom. This means, Mr. Speaker, that we should not be mistaken about the real significance of the death penalty.

The second question is: is the death penalty a useful deterrent. The arguments of those who claim that the death penalty has a deterrent effect are usually based on common sense rather than on empirical data, for these data tend to the contrary. Schuster asserted that the statistical studies always came to the conclusion that the death penalty has no important deterrent effect and that the relative frequency of murders in a given population depends on the cultural conditions in which this population lives.

The proponents of the death penalty claim that it is the most powerful of deterrents. They reason this way because of the fear that can influence human behaviour. This reasonlng is based on the theory that when man can predict the consequences of his actions, he will deliberately choose between two opposite behaviour patterns and that personal reward will be the criterion of his choice. Schuster notes that such a conclusion is not in accordance with modern psychology and sociology that believe that human behaviour, far from being calculated and conscious, obeys to a large extent to habits and inspiration of the moment.

I also have here a very interesting quotation from Dr. Roche: "The argument that the death penalty intimidates criminals can be valid to the extent that it is based on the hypothesis of a state of mind that we imagine to be unchanging, but experience has shown rather that a given community always includes a group of people with criminal tendencies which transcend the intimidating effect of any penalty."

The argument of retentionists gives much too much importance to the power of fear. Fear does not prevent people from doing what they want, Mr. Speaker. The attraction of immediate pleasure wins easily over the far away possibility of death. We must not forget that the life of everybody involves all sorts of risks. You can be injured or killed by a car or killed accidentally in certain professions like the mining or construction industries.

The threat of lung cancer does not stop our friends from smoking. Certain people drink themselves to death or entertain other vices which will cause their downfall. In one word, Mr. Speaker, to shorten my comments, which I now find are taking more time than I had expected, I shall simply say that deterrence, in my opinion, is not a factor in the case of the great majority of criminals in our society, since, and those are the last two questions that I want to answer, how are murders committed and by whom?

Mr. Speaker, the one thing that should not be overlooked is that statistics on murder include those committed by the underworld, by people who believe that violence is the answer. There are also murders committed by mentally ill people, those committed on impulse; the latter make up the

greatest number of murders. Statistics indicate that 70 per cent of murders in Canada are committed by people who know one another through a financial, romantic or any other type of relationship.

Obviously, Mr. Speaker, in considering the way murders are committed in Canada we must conclude that if the death penalty were enforced, it would not apply in most cases, it would apply only in 2 or 3 per cent of cases.

I am not coming to my main argument. What type of people commit murders in our Canadian society?

If we examine the statistics, Mr. Speaker, we note that 50 per cent of murders in Canada are committed by workers, by those who are in difficult social circumstances, who have been living in a divided family, in a climate of uncertainty and affliction and who are left alone, when their parents are divorced, or drunkards, people who have not assumed their responsibilities. Those people now commit murders in society.

Let us examine the list of murderers. People like Cotroni and Obront who have some standing never appear on the list of murderers. Is it because those individuals are more intelligent than others? No. It is because they were given some advantage by society, because their living conditions were more normal and their education, training and their circumstances did not prompt them to commit reprehensible acts.

Mr. Speaker, the death penalty is an action taken against the worker, the underprivileged, the one who does not have a lawyer competent enough to get him a fair trial, to defend him and get him out of trouble. As concerns the worker, whatever the seriousness of his crime he is unable to defend himself. The punishment is unfair as it is never applied in a rational, real and fair way. This measure is against workers and in a riding where most people are workers I shall never accept to vote for a measure which is against the majority of the people. I think I have to make those people understand that if I vote for that kind of measure I vote against their interests.

I recognize that there are sordid crimes. I recognize that we all have the same reaction: let us eliminate those people. But who are they? They live in difficult circumstances. Criminals are created by society, by everyone of us. There should not be scapegoats of our own mistakes in every field.

I wish to conclude, Mr. Speaker, by saying this: as a member of the House of Commons I think I have the responsibility of not choosing the easy way out, not following the trend before people whose first reaction is often to say: We want capital punishment! My duty is to explain to those people that we must help each other—eliminate crime, we must help the less privileged, people with problems and not depend only on government legislation. Every individual at any level from any government on any side of this House, whether man, woman, professional or worker, is part of a big family and we are all responsible for each others' actions.

I am confident, Mr. Speaker, that this legislation will be passed. However I am a Democrat and what ever the result I shall be ready to accept it. But I am convinced that if we provide stricter measures to go with capital punishment, because if there were no strict measures going with it I would not agree, as criminals can be released in the streets after two or three years and the people are very concerned and that is what they want. We should not necessarily take the life of those individuals but they should be excluded from society long enough to pay for their mistakes.

Mr. Speaker, I close on this wish: I trust that, regardless of the result of the vote, we will understand that the real interest of the citizens lies in the fact that we work with them, for them, by placing at their disposal all our resources as members of Parliament, to help them solve the basic problems; when those problems no longer exist, I expect that the crime rate we deplore at this time will have lessened considerably. At least, that is the hope I cherish. I offer all those who want to work with me towards that ideal—I know they are the vast majority if not all hon. members—my co-operation. As for me, I am willing to help them, that we might truly help the people in the right sense of the word.

● (1430)

[*English*]

Mr. Peter Elzinga (Pembina): Mr. Speaker, I hope that I will abide by what most hon. members have been saying at the beginning of their speeches, and that is to be brief. My intention is to be brief because practically everything that has to be said has been said in this debate. However, I think it is essential that on issues such as this members of parliament go on record so that their constituents will have an opportunity to judge their stand, because this is an extremely important issue. It is not an issue upon which parties can take a stand, but we as individual members will have a free vote, or a supposedly free vote. I hope to speak a little more about that later in my remarks. Let me state at the beginning that while I believe in capital punishment for all premeditated murder or planner murder, which makes up approximately 1 per cent of the murders committed, I also believe a more humane form of execution should replace hanging.

Violent crime in Canada increased 90 per cent in the ten-year period 1965 to 1974, and the murder rate doubled in that same period of time. In 1965 there were 243 murders, and in 1974 there were 545 murders. As I stated, the murder rate doubled in that period of time from 1.2 per 100,000 population to 2.4 per 100,000 population. Despite the fact that 38 policemen and prison guards were murdered in this same ten-year period, no convicted murderer has been executed. In essence, what we have had for a number of years is the abolition of capital punishment, and the murder rate has doubled.

Evidence is inconclusive as to whether capital punishment is a deterrent. Any discussion of the merits or otherwise of capital punishment goes beyond the area of politics and each person makes up his own mind according to the dictates of his conscience and his judgment. It has also been shown that few people will change their mind or their opinion as a result of reading statistics, studies or reports on this subject; and the shame of it is that far too often we, as individuals, are concerned with justifying our own reasoning when we should be searching for a just reason.

The abolitionists claim that capital punishment is not deterrent to would-be murderers. In my opinion this is an empty argument and completely beside the point. There is

no way to determine how many murders were not committed by those who wanted to commit the act but did not for fear of execution. The question should be, does the supreme crime demand the supreme penalty? In effect, do we place the highest possible value on the life of the victim?

The abolitionists say capital punishment has no deterrent effect. There are no facts to prove it one way or the other. But to say that the death penalty is no deterrent is to say that men do not fear death, and I find that to be a rather incredible assertion. Fear of death, in my view, is an instinctive reaction. I ask, how many of us in this chamber do not value or fear for our lives? Life is regarded by man as a precious possession which he wishes to preserve more eagerly than anything else. He would therefore defend it to the utmost against every threat, including the threat of capital execution. Every such threat arouses his fear, and as a rational being he would try to conduct himself in such a manner that that threat would be avoided. It is assumed that the potential threat is made vivid to him by the fact that he knows the death penalty exists. If capital punishment is never carried out, it loses its deterrent effect. There must be a serious and real risk of execution for the death penalty to be an effective tool, because crime will not decrease until being a criminal becomes more dangerous than being a victim.

In my view, fear of death is an instinctive reaction, and to conquer or subdue that fear is a feat some people are not capable of. In wartime, fear of death operates on the battlefield itself. No one who has seen death in its many forms can say, and be believed, that fear of death is not a powerful factor in determining any course of action.

The abolitionists usually state as an argument in favour of abolition that a mistake can be made in carrying out capital punishment. Although this is a valid comment, it is not a valid argument in a debate on capital punishment, because what we are discussing now is what the price should be for an individual who commits premeditated or planned murder. We are not arguing or discussing the merits of our judicial system. If there are errors in that area, they must be safeguarded against; but that statement is not a valid argument in this debate because, as I said, what we have to resolve here is what to do with individuals who have been found guilty of taking another individual's life intentionally.

The very individuals we ask to give us protection deserve protection themselves. If what is known as capital punishment today is done away with, they will have no protection. What will a criminal imprisoned for life have to lose if he kills a prison guard? In reality, he will gain his freedom if his bid for escape succeeds; if it does not, he has lost nothing if capital punishment is done away with, even though he has killed a prison guard.

● (1440)

I believe it is the prime duty of the government to offer its citizens protection against violent crime, and in my view capital punishment is a necessary tool to ensure this protection.

Before concluding, Mr. Speaker, I wish to register a few other comments. There was a debate on capital punishment in my constituency in which I participated. Assisting the stand on retention was an extremely capable man, Tom Forgrave, the city's intergovernmental officer, while Edmonton lawyer, Robert Newton and the Reverend George Rodgers of Sherwood Park United Church supported the abolitionist view. A vote was taken from the audience before the debate began, and again afterwards, and I should like to record it in *Hansard*. The meeting was sponsored by the Pembina Federal Association Zone Two of the Progressive Conservative party. An audience poll showed 35 in favour of retention, 20 for abolition, and 17 undecided. Two hours later, after the debate, 37 backed the death penalty, 7 were still undecided and 27 favoured abolition.

I should like to pay tribute to the individuals who debated for abolition, Mr. Speaker, for, as the figures show, they gained votes in this debate. It is also noteworthy that in a questionnaire I sent out to the constituency in the fall of 1975, the results showed that 6 per cent of those who returned the questionnaire were in favour of abolition, 20 per cent were in favour of the law as it now stands and 74 per cent were in favour of capital punishment for premeditated murder. A report of the meeting I referred to previously appeared in the Edmonton *Journal* and referred to Mr. Forgrave's participation as follows:

"My father tells me—Canadian people—are generally right" on social issues, Mr. Forgrave said. That's why there is such massive support for the death penalty at this time.

Mr. Forgrave said capital punishment is "almost always more humane" than capital murder. "Somehow or other there has to be a way of dealing with premeditated murder," especially of policemen and prison guards", he said.

My sentiments are very much the same, Mr. Speaker. When I hear members of this House debating on the side of abolition, I am puzzled to know what makes them think their individual conscience is so much wiser than the collective conscience of their constituents. I think far too many members are trying to hedge their bets by taking both sides of the argument so that they can send something out to their constituents which will make good reading for both points of view.

I have personally found this to be a very trying issue, as I am sure all hon. members have: I must commend my colleague and good friend, the hon. member for Edmonton-Strathcona (Mr. Roche), for making his views known in this debate. I can imagine how trying it must have been for him, and when I compare it with my own experience, I respect him all the more.

Yesterday the hon. member for Okanagan-Kootenay (Mr. Johnston) said that in reality there will not be a free vote in this chamber. I am inclined to agree with him. I have the record of the last three times this matter came before the House and have examined the voting pattern of some members. There is one member, now in the cabinet, who voted for retention in the past. If members opposite are ambitious and wish to gain a place in the cabinet, I suggest they vote for abolition—the possibility of a retentionist gaining admittance into the cabinet is very slim.

It will be of particular interest to see how the hon. member for Lac-Saint-Jean (Mr. Lessard), the Minister of Regional Economic Expansion, votes. In the previous three debates he voted for retention each time. Now he is a member of the cabinet. Did he have to sell his soul to receive that position?

An hon. Member: Oh, come on.

The Acting Speaker (Mr. Turner): The hon. member for York South (Mrs. Appolloni) on a question of privilege.

Mrs. Appolloni: On a question of privilege, Mr. Speaker, I object to this kind of debate. The hon. member on the other side is imputing to those of us who are abolitionists a complete loss of integrity.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Turner): Order, please. I would suggest that the hon. member should stick to Bill C-84.

Mr. Elzinga: Thank you, Mr. Speaker. It is amazing to see the hon. member rise on a point of order, and interesting to note what she said after my good friend and colleague spoke in this debate. She called him a Pontius Pilate, yet she feels she can object to what I have to say.

Some hon. Members: Hear, hear!

Mr. Elzinga: What I am trying to get at—and I mean no reflection on any member of this House—is that if we were to have an honest and free vote in this chamber it would have to be, as it was in 1966, upon a motion sponsored by various private members. That is not the case today, because this government wishes to push abolition down the throats of the Canadian people whether they like it or not. In 1966, when the motion was introduced by four private members, Messrs. Byrne, Nugent, Scott and Stanbury, six members of the present cabinet voted for retention. That is the only time they voted for retention. The subsequent votes were on government-sponsored bills and cabinet members felt compelled to vote for it. Is this not a clear indication that this will not be a free vote?

In closing, Mr. Speaker, let me say once again that I feel it is a prime duty of the government to offer the citizens of this country protection against violent crime. In my opinion, capital punishment is a necessary tool to carry out such protection.

● (1450)

[*Translation*]

Mr. Louis Duclos (Montmorency): Mr. Speaker, a member of Parliament does not often have the opportunity to take part in such an emotional and attention-getting debate as the one on Bill C-84.

Is it any wonder, since everyday some media feature the most loathsome and sordid crimes. As a result, many people feel that our society does not know any other law than the law of the jungle and that only stronger action on the part of the government would bring criminals to their senses. No one can deny that our country is going through an unprecedented crime wave. One needs only mention that violent crimes of all kinds have increased by 90 per cent in the past 10 years. As regards the worst of all crimes, murder, its rate has gone from one per 100,000 in 1961 to 2.4 in 1974.

Mr. Speaker, it is obvious that Canadians are justified in calling for strong government action in order to stop such raving madness. That is precisely what this government intends to do and after close consideration, I cannot but agree with the plan of action they are submitting to Parliament and the Canadian people for this purpose.

Many Canadians think that the retention of capital punishment is essential to public security. I can understand myself their position because sometimes some murders are so revolting as to prompt us to seek a revenge that would probably be as cruel as the murder itself. It is precisely this public indignation at the vileness of some homicides which explains why a large number of Canadians would be in favour of the death penalty, according to public opinion polls. However, I do not think that the legislators' decision in this regard should be influenced by such feelings. Mr. Speaker, in this case it would be too easy for a member of parliament to hide behind the results of public opinion polls in order to evade his responsibilities.

Indeed, his first duty is to see that his constituents are well informed of the intentions of the government and then to explain to them why the government deems advisable to take such action and try to meet their objections. It is only after having exhausted all those means that a member of parliament can really come to the conclusion that his constituents are against the bill.

Shortly after the law and order program was introduced in this House February last, I sent to all residents in my constituency the main lines of Bills C-83 and C-84, urging them to tell me about the changes they favoured. Furthermore, I invited them to public meetings which actually took place in March and April, so that each and everyone could make their views known on the subject. Following those consultations, Mr. Speaker, it is obvious that the people first want the government to wage an all-out war against crime and they accept that the death penalty be replaced by life imprisonment provided the Parole Board does its work seriously and competently.

Mr. Speaker, nothing illustrates more the will of the government to ensure the security of all the people than the 27 per cent increase this year in the estimates for the federal administration of justice—from $61 million to $78 million. That such a substantial increase should be provided at the very time when the federal government must resort to severe budgetary cut backs is the best proof that law and order is a vital concern of this government.

But is it true to say that peace and security will be more easily protected if we retain capital punishment? Retentionists believe that the death penalty is a deterrent which can bring a potential murderer back to better feelings. It goes without saying that I would unconditionally support the retention of that penalty if it had been shown that the fear of death really deterred murderers from committing their crime. Now, there is no evidence that such is the case.

Mr. Speaker, in 1962, a total of 11 policemen on duty were killed, even though at that time the death penalty was in force and in spite of the fact that during that year two hangings took place in Canada. In 1975, only two policemen we killed on duty although for all practical purposes capital punishment was abolished during the last few years, since the cabinet systematically commuted death sentences into life imprisonment.

And what about the fact that in 1974, Mr. Speaker, the ten American states that abolished the death penalty had a

homicide rate of 5.81 per 100,000 population while that of the retentionists states was 8.85? Mr. Speaker, the case is often mentioned of the two criminals who, having kidnapped someone in an American abolitionists state, crossed two other abolitionists states to finally end up by killing their victim in New Hampshire where capital punishment still applied and where in fact they were condemned to death.

Moreover, Mr. Speaker, whoever is familiar with the workings and officials in the world of justice and its courts, knows that the individual stands a chance of being found guilty if the possibility of the death penalty is not there to influence the decision of the jury. So, as noticed in Great Britain, after abolition of the death penalty the number of accused found mentally unsound decreased considerably. We must therefore conclude that before abolition juries were more inclined to find a murderer insane and thus spare him the supreme penalty. It would also seem that the existence of capital punishment too often inhibits punishment of the murderer at the hands of the law.

We also know that a large number of Canadian police officers oppose abolition because they feel retention will mean less danger in their work. Quite the contrary, I believe that a murderer will be much less reluctant to kill a policeman attempting to arrest him, if he knows that his earlier murder entails death anyway. In other words, that murderer has nothing to lose, he is facing the same ultimate penalty no matter how many murders he commits.

Mr. Speaker, we must also remember that our system of justice is not above error, that the risk of judicial errors can never be totally eliminated. No one has forgotten the case of Wilbur Coffin who was hanged in 1956, although in the eyes of many his guilt was never clearly established. Similarly, there was the case in Alberta of Raymond Cooke, who was executed in 1960, although his guilt has been seriously questioned since then. For these reasons, it is not sensible in my view to retain such an irreversible punishment, which has never been proved to deter potential murderers anyway.

Abolition is so much the more acceptable that Bill C-84 substitutes punitive measures that should adequately protect society. It does not seem to me that many Canadians believe life imprisonment does not protect society as much as capital punishment. However, many want safeguards, in the fear that the National Parole Board may show unwarranted clemency. Bill C-84 provides that an individual convicted of planned and deliberate murder, or of the killing a police officer or a prison or penitentiary employee is eligible for parole after 25 years' imprisonment.

● (1500)

Under the new legislation, when reviewing parole applications the National Parole Board will be bound to invite to its proceedings two citizens from the area concerned who will be entitled to vote and will be chosen among local policemen, municipal executives or professional or business association members. The board will then be able to rely on sensible advice from people representative of the local community, who are especially concerned about their fellow citizens' security. The contribution of those people, deep-rooted in their community and known for their good judgment, should eliminate to a large extent the errors of judgment too often made by the board and allow the latter to regain the confidence of the population.

Mr. Speaker, the act also provides that an individual condemned to life imprisonment may, after serving 15 years, ask three judges of a superior court to declare him eligible for parole. One can assume that such applications will only be agreed upon in exceptional cases. Be that as it may, the National Parole Board may still deny parole even though the applicant has been declared eligible by the court.

Mr. Speaker, I think the legislation should have provided for parole. Indeed, we should not refuse any hope to the inmate who sincerely wishes to get rehabilitated and whose goodwill is above suspicion. Moreover, such provision should encourage prisoners to behave correctly and this in turn would appreciably reduce the violence which may be directed against prison guards and prison staff in general. One must keep in mind indeed that the proposed legislation provides that any remission will have to be deserved through model behaviour. Thus the prisoner will keep hoping to be released before the end of his sentence if he behaves decently during his imprisonment. In refusing him such a hope, the inmate would have nothing else to loose and could become dangerous for his guards and the prison staff.

Mr. Speaker, one often hears that it would be better to execute murderers rather than keep them at the expense of the taxpayers at an estimated annual cost of $14,000. It should be pointed out, I think, that this is the average cost per prisoner, including the fixed costs of the overall operation of penitentiaries. But, those fixed costs would not be reduced at all if the 13 people now on death row in federal penitentiaries were executed tomorrow morning. In fact, studies have shown that the marginal or additional annual cost incurred for the presence of each of the 13 prisoners in Canadian penitentiaries is about $1,300.

Mr. Speaker, some retentionists like to quote from the Bible to support their position. I would like to remind those people of the message of the Canadian Catholic Conference issued on January 26, 1973, in which Canadian bishops said, and I quote:

> We believe it is an abuse to turn to the Bible—and particularly to the Old Testament—to justify the retention of the death penalty. The Bible where it recommends the death penalty must be analysed in the light of the historical background in which it has been written; it cannot be applied to the letter in Canada today. As a matter of fact, each of the quotations from the Old Testament must be examined in the light of the numerous parts of the New Testament where Jesus Christ condemns this habitual tendency in man to react to an insult by another insult and invites us instead to be magnanimous. Violence and hostility are not offset by measures of violence and hostility.

Furthermore, on March 4, the same group stated in a press release, and I quote:

> The Board of Directors of the Canadian Catholic Conference states that it is in favour of the abolition of capital punishment in Canada and at the same time urges the government to undertake immediately the fair reforms needed in our penitentiary system and in the whole area of justice.

Mr. Speaker, I know that a number of my fellow citizens whose sincerity is beyond doubt are convinced that the well-being of our society requires the retention of capital

punishment. I urge them however to consider the arguments put forward by those who do not share their views. I want them to know especially that abolitionists want just as much as them that order prevail in our country, that violence disappear from our streets and our homes. As for me, the dictates of my conscience compel me to support Bill C-84, and I could not do otherwise.

I trust my constituents who might not agree with me on this issue, and I know that they will judge me on my parliamentary work as a whole when I stand for re-election, and not on the position I have taken during one debate, however important it might be.

[*English*]

Mr. Jake Epp (Provencher): Mr. Speaker, let me say at the outset that I do not welcome participation in this debate. It is a debate which for many of us raises many questions. I recall in 1972, shortly after my election to this House, we were faced with the bill that initiated the second five-year moratorium on capital punishment, with the exception of the killing of police officers and prison guards. I recall the agony a number of us went through at that time. That agony today during this debate does not seem to be any less, especially in view of the fact that the bill now provides for the permanent abolition of the death penalty where before it was for a five-year period only.

I also recall from the 1972 debate the divisiveness that was in the House. Sad to say, I see that divisiveness, that dividing one member from another just underneath the surface in this House at the present time. While I might not agree with many people who feel that Bill C-84 warrants their support, I will respect them for their decision and for the conclusion they have drawn after, I am sure, as much soul searching as I have done.

Possibly I should give a bit of background and the reason why I have come to my conclusion. I find it somewhat difficult to begin to discuss this whole issue in view of the fact that in 1972 many of us voted for another five-year moratorium, thinking at that time the five-year period would in fact be implemented and that the government would observe the provisions of the bill it itself introduced. That has not been the case.

After but a short period of time we are now faced with an abolitionist bill. I can only conclude that in 1972 the Solicitor General (Mr. Allmand) was biding time in a minority House. The first five-year moratorium had ended. Knowing that complete abolition would not carry at that time, he brought in another five-year moratorium hoping that would carry in a minority House, The government, having gained a majority, we now have before us a bill to abolish capital punishment.

Looking at my participation in 1972, and again today, and also at the comments the Solicitor General made at that time, I can come to no other conclusion than that was the best he could get in 1972. He did not have any intention of finding out whether during that second five-year period capital punishment was a deterrent or not. We will now never know because since 1962 the government has chosen to commute all death sentences.

One can only conclude that the Solicitor General, the Minister of Justice (Mr. Basford), and the Prime Minister (Mr. Trudeau), knowing that by the end of 1977 the second five-year moratorium would have ended and, faced with a possible general election in 1978, did not want this issue bouncing around at that time. While that might sound somewhat cynical, there may be a fair bit of truth in that statement.

There is another reason why I am somewhat cynical. We have before us the so-called peace and security package, Bills C-83 and C-84. The Solicitor General and the Minister of Justice both stated that the provisions of Bill C-83, the gun control legislation, will not reduce the incidence of crime in Canada. However, they persist in combining Bill C-83 and Bill C-84, stating that once those two bills are passed there will be peace and security on Canada's streets, and the incidence of crime, especially violent crime, will diminish. Again taking the words of the Solicitor General, that is absolutely false. He himself has said on many occasions that Bill C-83 will not affect the operations of the criminal element, so there is justification for the feelings now prevailing that the government has failed to protect society adequately. Many law-abiding citizens believe more attention is given to the person who commits a crime than to the person who suffers as a result of it.

● (1510)

The point which is to be made is that all of us would like to live in a society where punishment is not necessary but we just do not happen to be fortunate to live in a society of that kind. I agree that no one can prove conclusively, by using statistics, that capital punishment is a deterrent to murder. Nor for that matter can the abolitionists prove that the peace and security bills, C-83 and C-84, will act as a deterrent, though on one hand they claim that the arguments of the retentionists, who say capital punishment is a deterrent, are not valid, but on the other they claim that the longer prison sentences will be.

Up to the present the government has seen fit to commute every death sentence despite the legislation brought in by the Solicitor General in 1972 which provided for the death penalty in certain cases. What we have no means of knowing is the number of murders which would have been prevented had the death penalty been exercised. Criminals knew, and they know today, that if they are given the death sentence it will automatically be commuted. They know that in effect abolition does prevail at the present time.

One thing is crystal clear. We have seen the murder rate double over the last ten years—I am talking in terms of the rate per 100,000 of population. We know for sure that the suspension of the death penalty and its replacement by the use of the prison system has not been an effective deterrent. We know it has not reduced the incidence of murder; in fact there has been a doubling of the murder rate. As a result there is a restive mood in society; citizens feel the law has been too lax and are calling for the return of the death penalty.

Much has been said in this debate about opinion polls. I find it interesting to hear it argued that members of this House should not be influenced by the results of polls on capital punishment. Yet every four years or so we go out on the hustings to engage in what amounts to a general poll across Canada and to ask for continued support. That poll, Mr. Speaker, is a conclusive one because whoever gets

most votes is able to sit in this House and represent the people. I hear the Minister of National Revenue (Mr. Cullen) mention the name of my right hon. friend from Prince Albert. I am quite sure he can speak for himself and will do so at the appropriate time.

I may say that I conducted a poll in my own riding on this question. I am not a scientific pollster but when I get a return in which 90.3 per cent are in favour of the death penalty in the case of premeditated murder I draw the conclusion that a large majority of the people in my constituency are not happy about the way in which the cabinet is commuting death sentences passed on people who have killed prison guards and police officers.

The opposition likes to portray those of us who are retentionists as being bloodthirsty, as being unsophisticated or as being less educated than others in society. I do not know how this reflects on the opinion of the electorate if the electorate is also in favour of capital punishment. No, Mr. Speaker, I believe retentionists have the same sense of responsibility as the abolitionists claim for themselves alone.

What about the length of the prison term proposed in the legislation? The bill before us would replace the death penalty with a fixed term of 25 years for first degree murder—there are provisions for parole which I shall not go into at this moment. The penalty for second degree murder is 15 years imprisonment. The question which immediately occurs to me is this: is a fixed minimum sentence less barbaric than the death sentence? What happens to a person who is placed in prison for 25 years?

We know that the rate of recidivism increases with the length of time a person is in prison. I thought I should go to an authority on this aspect so I turned to an authority the Solicitor General likes to quote—I call him the high priest of the movement in favour of abolition of capital punishment. My authority is Dr. Fattah, and I understand he did a fair amount of research for the minister before coming to the conclusion that capital punishment was not a deterrent. In an article contributed to a weekly publication put out by Simon Fraser University on March 11, he wrote:

> On February 24, 1976, the Liberal government tabled one of the most retrogressive pieces of the legislation ever presented in the House of Commons—the so-called peace and security program. Abolition of capital punishment is in itself a very commendable move, a move long overdue, but substituting a mandatory life sentence with a minimum of 25 years imprisonment is, to say the least, illogical, irrational, inhuman, arbitrary and unscientific.
>
> A minimum of 25 years creates a distinct category of men without hope and a man without hope is capable of doing anything and everything to draw attention to his cause and to his condition, as has been amply demonstrated in two recent incidents in the B.C. Penitentiary at New Westminster.

● (1520)

On the last page there is this paragraph:

> I still remember back in January, 1973, when Marcel Prud'homme, MP for Montreal St. Denis and James Fleming, MP for York West, suggested that the government bill be amended to imprison killers for a minimum of 25 years. Solicitor General Warren Allmand and other members of the cabinet were the first to declare their opposition. It is disconcerting and disenchanting to see the government, after only three years, adopt the same retrogressive suggestion it once condemned.

[Mr. Epp.]

Abolitionists often say that those of us who are retentionists are swayed by opinion polls. Yet the very man who presented the background papers to the Solicitor General's peace and security package calls the bill irrational, inhumane, and uses various other appropriate expressions.

The United Church of Canada, which has taken an abolitionist stand—and I respect them for it—in a letter dated May 18, 1976, a copy of which I received on May 28, wrote to the Solicitor General and stated that the mandatory sentences were not acceptable to them. I should like to quote Nos. 5 and 13 of their reasons:

> 5. What happens to the inmate when he gets out of prison after serving 25 years? Most sociological data in this regard would say that the person would be more dangerous coming out than going in.
>
> 13. In your publication entitled "Highlights of the Peace and Security legislation", in the introduction on page one is the following statement: "In a society that places such a high value on the dignity of the individual the use of the death penalty must be viewed as an unacceptable and essentially purposeless form of punishment". It is our view that the proposed legislation does nothing to uplift the dignity of such individuals. We seem to be substituting one indignity for another.

The last point to be made on that sentence is that if a person who is convicted of first degree murder is placed in prison for 25 years with minimal hope, we are asking our fellow citizens, those who serve as prison guards, and other personnel in our prisons, to take care of this person. We are asking them in the course of duty to put their lives on the line, so to speak, every day because a person without hope, as it has been expressed by the various people I have quoted, is liable to engage in further killing. We are really asking prison guards to give a service well beyond that which I think should be expected of them.

In fact, Mr. Speaker, the United Church letter goes on to refer to the prison system and the negative effects that they see resulting therefrom. Let me quote reasons 4 and 12 in their letter:

> 4. There will be an increase in prison population and therefore increased human pressures as well as increased cost.
>
> 12. This will of course lead to far greater institutionalization of human beings who would be unable to function without the institution.

Putting those arguments aside, Mr. Speaker, the main reason that I am a retentionist is that I take a moral or theological position. In entering that argument I am not trying to say for one moment that those people who are not abolitionists do not take a moral position on which to base their argument. Neither am I saying that in their conscience they have not looked at the theological question in coming to a decision different from mine. In fact one of the best pieces of work that I have seen on this very dilemma is by Rabbi Plant of the Holy Blossom Synagogue in Toronto who, being an abolitionist, after looking at both the abolitionist and retentionist arguments, concludes that the one thing we must remember is that we come to our conclusions honestly and sincerely, and that a luxury we cannot afford is to try to say, "I am right and you are wrong".

One issue should be clarified immediately, Mr. Speaker. I do not like to get personal in this House but I feel that to a point I have to because of my background. The conclusion has been automatically drawn that I am an abolitionist. I imagine that this has given rise to certain press releases by the Canadian Council of Churches, some of which I should like to refer to briefly this afternoon. In a press release

dated January 16, 1975, a little better than a year ago, the Canadian Council of Churches stated that the Mennonite Church had taken a position on capital punishment, namely, an abolitionist position. I wrote to the Canadian Council of Churches on February 6, 1975, in response to that press release and I should like to read in part the letter I wrote to them:

> While the Anabaptist view generally opposed capital punishment, most churches adhering to the concept of Anabaptist faith and, specifically, Mennonite doctrine, have not officially endorsed abolition of capital punishment. Particularly the denomination that I am a member of is divided on this issue and has not been able to formulate a policy which has widespread acceptance in our Brotherhood. Therefore, I would suggest to you that you correct the press release that you have issued with the hope that a wrong impression will not be created by the material that you have published.

Further, Mr. Speaker, I did not receive a reply to my letter. In an almost identical press release a little more than a year later, on March 2, 1976, the Canadian Council of Churches stated that certain bodies had spoken in favour of abolition of capital punishment, and they listed among them the Mennonite Church. I know this press release went to all members of parliament, obviously to create the impression among members of parliament that a number of churches, among them the Mennonite Church, were in favour of the abolition of capital punishment.

In response to that press release I wrote to the Canadian Council of Churches on March 10, 1976, and in part I said:

> Further, in my letter of February 6, 1975, I stated that I found in view of the fact that your press release was incorrect that it would be in your interest to correct the false impression that you had created through the press release. Unfortunately, I have not received a reply to my letter of February 6, 1975.
>
> In your letter of March 2, 1976, you again stated that the Mennonite Church has spoken in favour of abolition of capital punishment—no such thing has happened. Again I repeat that the General Conference of Mennonites which is but one denomination among a number of Mennonite circles has passed a resolution opposing capital punishment. While the debate on capital punishment is taking place in most Mennonite Churches as I am sure it is being carried on in other Churches, I would like to point out that your letter of March 2 is wrong and in fact needs correction. I know that the letter has caused wrong impressions among members who have come to me and inquired as to the position the Mennonite Church took in its stand against abolition of capital punishment.

On April 23 I received a letter from Reverend R. J. Scott, who is the secretary to the task force on the abolition of capital punishment for the Canadian Council of Churches. He wrote in part, after first stating that he had not received my letter:

> Our reference to the Mennonite Church may have been inaccurate in view of your reference to the different independent sections of the Mennonite Church. We included the name in our list as we had a representative on our Committee from the Mennonite Central Committee, Kitchener, Ontario. We were not aware of other groupings.

So the wrong impression has been created.

In his speech on May 19, 1976, as reported at page 13681 of *Hansard*, the hon. member for Fundy-Royal (Mr. Fairweather) used the argument that among other churches the Mennonite has also spoken out in favour of the abolition of capital punishment. But he made what I imagine was an innocent mistake, because although there are a number of denominations in our background he used the following words:

● (1530)

> I think of a wonderful statement by the Mennonite Brethren—

He continued:

> —who are convinced abolitionists and who, at the risk of worrying those who profess to be followers, make clear and unequivocal statements in favour of abolition.

Well, Mr. Speaker, I happen to be a member of the denomination about which the hon. member speaks. He was confused in that our denomination never passed a resolution. We are debating that resolution now, so, unhappily the wrong impression has been created by the press releases which have been brought before the public by the Canadian Council of Churches.

As I say, I do not question the abolitionist stand that such a person has an honest conscience. However, I think it should be very clearly pointed out for the record that what some people take to be facts are in fact not facts at all. The main issue for me, and I imagine for many other members of this House, is a moral one. All of us have already heard the quotation from Genesis 9:6. The quotation "thou shalt not kill" raises the question: are we justified in taking a human life? Are we justified in taking the life of another human being in judgment for the crime he or she may have committed?

Quite frankly I cannot accept the humanistic view of society which seems to argue that man from his own position, from his own innate goodness, can inject a will to do good. I cannot accept that. We are agents of a free will; but the very fact that we are debating this subject today gives mute evidence to the fact that man is exceedingly wicked and that man does not stop at anything in respect of raising his hand against his brother. I do not think any of us should be so smug or complacent that we feel we are exempt from that possibility.

It is true that in our present society there are many countervailing forces which, to my mind, debase society. I need only mention the violence on television. This is a medium which affects virtually every Canadian. Day after day violence is pumped into the homes of Canadians to the point where it seems almost to take on real life at tributes for many Canadians. We have seen a tremendous increase in pornographic material of various kinds. I submit all this diminishes the moral fabric of society.

I do not wish to sound as being holier than thou, but I think it is important to place before this House and the people of Canada the suggestion that if society is to survive it will survive only if it accepts a moral basis for its existence. While I realize that as a legislator one cannot legislate morality, I do not accept the argument that one cannot show moral leadership. In fact I believe it is our responsibility, so I reject the so-called permissive or humanistic society in which every man is allowed to do his own thing, the only qualification being so long as it does not hurt someone else, because then it is no business of yours or mine. The fact that we are brothers precludes a situation in which the actions I take would not in some form or another affect if not the major society of which I am a member, the closest society in which I am intimately involved.

Many social engineers today seem to think that by behavioural changes, in one form or another, society will

almost attain a Utopian quality. That just is not the case. I realize that in the Old Testament many crimes are mentioned for which capital punishment was prescribed, and therefore the argument is made that if that be the case in respect of the Old Testament why should it not be prescribed for present society if we are to use Biblical quotations. I have also heard the argument of people who say that because of the New Testament we do not now live under the law, that we now live in a period of grace. That is true. They argue that because it is a fact we live in a period of grace the death penalty no longer is necessary, because we are creatures who have a high regard for human life. But, Mr. Speaker, although the God is a God of grace and love he did not lose the attributes of justice or holiness. He retained those attributes. Today the state is God's agent in making sure that people in today's society can in fact live out their lives in peace and harmony, so the state has a responsibility well beyond that of the individual.

It is not right for me as an individual to ask for retribution, an eye for an eye or a tooth for a tooth, but the state has another role because we must keep in mind that setting the brakes on law drags down everyone in society. In fact in the Old Testament there are references to the fact that crime pollutes the land. Judgment and punishment are not retributive. Punishment must follow actions in which God's laws are broken. We hear so much, for example, of Romans Chapter XII in which the Apostle Paul speaks of the God of Love, the God who is willing to bless his people, the God of forgiveness; but so often we do not read on to the early verses of Chapter XIII in which the same apostle writes:

> Let every soul be subject unto the higher powers—

namely, the government.

> it is there by God's appointment. So those who refuse to obey the laws of the land are refusing to obey God, and punishment will follow. For civil authorities do not frighten those who are doing right, but those who are doing wrong. The government is the agent of God for your good. But if you do evil, you should be afraid. For the civil authority does not bear and wear the sword for nothing. It is God's agent to execute his punishment and vengeance on the wrongdoer.

● (1540)

I know reference has been made in the House to the crucifixion story. As we recall, there were two malefactors who were crucified with Christ, one rejected the salvation, the other one did not. But what is significant is that Christ did not offer physical salvation from pain of death but today he offers spiritual salvation. So while I would like to live in a society where punishment is not necessary, where reconciliation of man and his God can take place, that is not the society in which I live. I must finally come to the conclusion that the state is an agent of God, responsible to him to see that justice is carried out and that those who obey the laws of the country are in fact protected. It is on that basis that I cannot support Bill C-84.

Mr. Doug Neil (Moose Jaw): Mr. Speaker, this is the second occasion since 1972 that I participate in a debate on capital punishment. I would like to say at the outset that I am a retentionist. I believed in capital punishment before I came to Ottawa, I spoke in favour of it in the 1972 and 1974 election campaigns, and my position has not changed.

[Mr. Epp.]

Despite the fact that the Solicitor General (Mr. Allmand) says that capital punishment is not a deterrent, I firmly believe it is. The Solicitor General referred to various statistics and suggested that they are conclusively in favour of the fact that capital punishment is not a deterrent. I have examined these statistics and I suggest they can be used either way. If you an abolitionist you can use the statistics to support your argument, and if you are a retentionist you can use them for the same purpose.

The Solicitor General in the debate on this subject on May 3, as recorded at page 13089 of *Hansard*, said the following:

> The burden of proof is on those who propose retention of the death penalty. They must show that retention does some good in society and has positive effect. Furthermore, I do not think retentionists can logically or ethically discharge that burden of truth.

I find that statement rather illogical. Why should the burden of proof be on the retentionist and not on the abolitionist? What the minister is saying is simply that he is right and the rest of us are wrong, and he will be right unless we can prove that he is wrong.

In March of 1975 the Solicitor General sent out a document entitled, "The Prevention and Control of Violent Crime in Canada: Some Comments on Violent Crime, Capital Punishment and Other Related Issues". At page 5 of this document we find the following statement:

> One or more of the following factors are usually present:—

He is referring to murder.

> —quarrels or a history of quarrels between friends and family members; situations where alcohol or drugs are present; situations where immediate access to firearms exists, situations where the eventual offender feels threatened by others present in the situation, and cases of mental or emotional instability and derangement. Given the sudden, unplanned nature of most homicide it appears unlikely that most individuals who commit murder take into account the existence or non-existence of capital punishment before carrying out the act.

The Solicitor General is not really being fair when he makes that statement because the type of killings he refers to in this paper do not and never have called for capital punishment. Generally speaking they have called for life imprisonment or imprisonment for a period of time. These killings to which he refers are not premeditated murders, and I believe that 80 per cent to 90 per cent of the public according to the polls, and some 87 per cent of the people in my constituency believe in capital punishment for premeditated murder. They are not calling for capital punishment in situations such as were described by the Solicitor General.

I believe that in instances of planned murder, in cases of contract murder, and in cases of killings during the commission of a crime, capital punishment is a deterrent because in these particular situations the individual is fully aware ahead of time what he is doing. If he goes into a bank to rob it and takes a gun with him, he knows perfectly well that the circumstances may be such that he will use that gun. What I am suggesting is that if the individual is aware of the fact that because of his action he might have to face capital punishment, that is certainly a deterrent.

To some people capital punishment is abhorrent. I listened the other day to a member on the other side of the House when he described a hanging in some detail, sug-

gesting it was cruel, bloodthirsty, and revengeful. But he did not look at the other side of the coin; he did not consider the terror experienced by the victim, nor did he consider the heartbreak and the effect of a killing on the victim's family. I suggest to that particular member that he talk to members of a family who have lost someone in a killing, as I have. He would have second thoughts, I am certain. If his argument is simply that he is opposed to the particular method of capital punishment, hanging, I would suggest that this is not a valid argument for an abolitionist. The answer is that that particular individual should press for changes in the law which will provide for a different method of execution, for example, the injection of a drug or the giving of some particular type of poison by putting it in the guilty person's food.

● (1550)

In the same report put out by the Solicitor General in March, 1975, to which I already referred, the minister had this to say:

The commandment, "Thou shalt not kill" is part of our Judaeo-Christian heritage. It emphasizes the value of human life and should make us ponder whether we should take yet another life in retribution.

The hon. member for Provencher (Mr. Epp), who preceded me, discussed the religious aspect in some detail. Over the past four years I have received a great deal of correspondence on the subject of capital punishment, and much of this correspondence has come to me from religious organizations, the Council of Churches, and individuals who have religious backgrounds who have made studies of the Bible. It is very interesting to note that the theologians themselves are divided on the interpretation of the Bible as it refers to capital punishment. It is interesting to note that both sides make use of quotations from the Bible to support their argument for or against, but a few days ago I was interested to receive in the mail a bit of correspondence which indicated to me that the American Revised Standard Version of the Bible in translating from the original, rather than saying "thou shalt not kill" says "thou shalt not murder." In other words there is a distinction between the act of killing and the act of murder.

A short time ago I had occasion to read an article in one of the Toronto newspapers written by a rabbi of the Jewish faith. It was referred to by the hon. member for Provencher, and I was impressed by that article. It went into some detail and gave arguments both pro and con. In summing it up the rabbi said that he himself believed in the abolition of capital punishment, but I found the final sentence in the article very interesting because he concluded by saying, "Who is to say that I am right and you are wrong?"

Finally, I say this to the abolitionists: because one is a retentionist does not mean that he is cruel, coldblooded, hardhearted or has utter and complete disregard for human life. I suggest that it is much easier to be an abolitionist than it is to be a retentionist because, if capital punishment is retained, when an execution does take place each of us who has voted in favour of retaining capital punishment must bear part of the responsibility for the carrying out of that execution.

May I call it four o'clock, Mr. Speaker?

Mr. Deputy Speaker: Is it agreed that we call it four o'clock?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being four o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions, public bills, and private bills.

PRIVATE MEMBERS' NOTICES OF MOTIONS

Mr. Deputy Speaker: Am I to understand that there has been some agreement to stand motions Nos. 2, 15, 19, 20, 4 and 9 and proceed with the consideration of motion No. 47 standing in the name of the hon. member for Nickel Belt (Mr. Rodriguez)?

Some hon. Members: Agreed.

Mr. Deputy Speaker: Is it also agreed by unanimous consent that all other motions stand in their place on the order paper?

Some hon. Members: Agreed.

Mr. Deputy Speaker: At the request of the government.

* * *

EDUCATION

SUGGESTED ESTABLISHMENT OF NATIONAL OFFICE OF EDUCATION

Mr. John Rodriguez (Nickel Belt) moved:

That, in the opinion of this House, the government should consider the advisability of establishing a national office of education for the purpose of (a) collating and disseminating education research and information throughout Canada (b) arranging inter-provincial and territorial exchanges of teacher-personnel and/or students (c) providing a focus for Canada's contribution to the improvement of educational opportunities in other countries (d) providing the agency through which educational concerns, affecting the Canadian people, may be brought to the attention of the Council of Provincial Ministers of Education.

He said: Mr. Speaker—

Mr. Guay (St. Boniface): Mr. Speaker, I rise on a point of order. I am sorry, but I just want clarification as to whether there is a difference between notice of motion No. 45 and notice of motion No. 47. I understood it was to be No. 45, and I just want clarification from the hon. member for Nickel Belt (Mr. Rodriguez) in that regard.

Mr. Deputy Speaker: Well, as far as I am concerned, it is too late. I have put the question, with consent, on motion No. 47.

Mr. Rodriguez: It is No. 47.

Mr. Deputy Speaker: No papers reached the Chair and, unless there is some agreement, we will proceed with this debate. The motion before the House at this time could be withdrawn only by unanimous consent, and then the other motion could be put. Whatever change we want to make at

this time would have to be made by unanimous consent, so I will call upon the hon. member for Nickel Belt for his point of view on the remarks of the hon. member for St. Boniface (Mr. Guay).

Mr. Rodriguez: Mr. Speaker, I understand it is to be motion No. 47 which stands in my name, a motion to establish a national office of education, and I am prepared to debate that motion this afternoon.

Mr. Deputy Speaker: Besides, motion No. 45 stands in the name of the hon. member for Halifax-East Hants (Mr. McCleave), and it has already been debated. However, the hon. member not being in the House, we will have to proceed with the motion as suggested unless there is agreement otherwise, so the motion having been put to the House I am calling upon the hon. member for Nickel Belt to make his presentation.

Mr. Rodriguez: Mr. Speaker, the motion which I am prepared to debate this afternoon calls for the government to consider the establishment of a national office of education. Maybe I should first explain the aspects of the current situation in education that led me to consider the need for a national office.

● (1600)

When I was first elected to this House in 1973 I introduced this motion, and again in 1974 when I was re-elected. Having come from a background of education I felt there was need for such an office. As you know, Mr. Speaker, education is primarily a provincial matter, but several federal departments are involved in educational schemes. The Department of the Secretary of State funds much of the post-secondary education in Canada. All government concerns are facing a strong financial squeeze at precisely the same time that we have reached a watershed period in education. At the same time that governments are cutting education budgets there is a questioning among educators, students, and parents about where education should go. There is no national focus on this question nor has a national defender come out in defence of education budgets.

We have just finished a major expansion of post-secondary education to the point that we now have over 600,000 students in colleges and universities. Secondary school enrollments have expanded to include a greater proportion of the age group and a far greater total population as the baby boom passed through the system; vocational education has mushroomed.

The system will have fewer students after the baby boom and there may have to be cutbacks. Meantime there is a widespread questioning of educational goals in Canada ranging from those who want to see the return of the three Rs to those who still want to implement the free spirit of the individual and creativity of the Hall-Denis report in Ontario as set out in "Living and Learning".

Recently several perennial problems have occurred that still must be faced and solved. Regional barriers to good education still exist; economic barriers abound, and equity demands that these be removed.

When I began teaching in 1957 the community I was in experienced great mobility. I was amazed to learn that when students came from the east coast, for instance, to Ontario their grade VI was not evaluated in the same light in Ontario. The reason given was that their curricula were not the same as those of Ontario. Teacher training was not co-ordinated and teachers coming into Ontario were not accepted on par with Ontario-graduated teachers.

Mr. Paproski: And vice-versa.

Mr. Rodriguez: Exactly. Out of all these considerations came a judgment that a national office is necessary to focus attention on this national issue and to provide co-ordination and information to a national debate on these issues.

I should like to explain some of the details of the motion before the House this afternoon, Mr. Speaker. One might ask why the federal government should get involved. I have already said that this is a national issue. To those who say that the federal government has no jurisdiction or interest I would point out that the federal government is already involved in several ways through the Department of Indian Affairs and Northern Development, the Department of the Secretary of State, the Department of Regional Economic Expansion, the Department of National Defence, the Department of External Affairs, CIDA, the National Museums, the National Library and Public Archives, the Department of National Health and Welfare, the Department of the Solicitor General, and the Department of Manpower and Immigration. Let us not kid ourselves that we are not already into it up to our necks.

We hide behind the facade that the federal government has no place in education, but we are certainly involved in terms of finance, training programs, and upgrading programs.

The recent OECD report on Canadian education estimated that over 20 per cent of all expenditures on education come from the federal government. I am not arguing that we should immediately get into it more deeply, but primarily that we should establish a national office to allow the provinces, the educators, and ourselves to make more co-ordinated decisions about the future education of our children. If we do not have this co-ordination on a national level the education questions of direction and budget will be decided willy-nilly in over ten different bureaucracies across the country.

Incredible as it seems to non-Canadians who visit Canada, we do not have a national office to administer even the minimal dissemination and collation of research into education. The result is often a tragic ignorance in one province about what goes on next door. The result is also major knowledge gaps for planners. What is the demand for adult training going to be in ten years so that we can plan for it? No one has the answer. What is the critical age at which economic disparity will lead to decisions to curtail education in a student's mind? We do not know. But we do know that in poor working class areas the number of high schools per capita is much lower than in affluent areas, and that the proportion of age groups in school varies greatly. What are the implications for vocational schools if more students attend regular high schools? What are the job training needs that we must anticipate for 15 years from now?

Without national co-ordination of the effort to collect and disseminate basic information, decisions will continue to be made in ignorance of future trends and possible solutions that are being tried in other parts of the country.

Similarly I have recommended in this motion that the national office arrange for staff and students to travel to other parts of the country to learn first-hand about the practices outside their own areas.

The third function of the national education office would be to focus the contribution we make towards improving educational opportunities in the Third World. At present we have students applying from these countries to universities and colleges in every province, facing a variety of different educational requirements and offerings. At the same time our federal agencies work with the countries concerned to assist them in improving the level of education of their students and, ultimately, their society. The provinces take no part in this nor do they assist the federal government in determining which programs are more suitable, or in providing financing for those students. So we have the recent situation where Ontario announced an increase of fees for students on visas at the same time that the federal government is trying to increase the number of students from abroad for training in our universities.

Finally, the education office could act as a channel for bringing educational issues to the attention of the Council of Ministers of Education of the provinces. I have said earlier that I believe that the discussion of the educational goals for our country is essential, that it is of immediate concern, and that it must be done nationally to be most effective and equitable. It is my hope that by bringing the issues to the ministers they would be encouraged to discuss them more seriously and more frequently than they have up to the present.

It seems to me, for example, there is a need to set some kind of national goals for education. One major example is the whole question of bilingualism. Recently we had the Director of Official Languages, Mr. Keith Spicer, telling us that we should have started with the schools. Mr. Speaker, that is one very obvious area. Parliament having adopted a national policy of bilingualism, it seemed to me and many Canadians that the best place to have began implementing that program was in the school system. If bilingualism is to be a national goal, a federal office of education ought to provide national direction. One of the great short-comings of the present program lies in the lack of such direction. The lack of national direction has hampered considerably our efforts with respect to bilingualism.

● (1610)

It seems to me that if we bring this issue to the attention of the ministers of education, through a national office of education, we could encourage more frequent and wide-ranging discussions of the subject; hopefully, provinces could co-ordinate their actions. Hopefully our aims in education could be co-ordinated and provincial hopes fulfilled. Without a national office to co-ordinate the collection of such information and to arrange that the appropriate material is circulated to those who need it, I believe decisions will continue to be made in isolation from these national goals.

Notice, Mr. Speaker, that my proposal calls for co-ordinating and encouraging the dissemination of educational information. You will notice that it would provide the national education office with no real powers apart from the ones I suggested. In truth I should like to see a stronger office. This will not be possible unless the provinces wish to strengthen their role in the field. I see the establishment of this national office as a first small step. Establishing this office would establish a body which can ensure that discussion proceeds on the basis of proper information. The office could act as a catalyst to stimulate discussion. It would go no further without the willing co-operation of the provinces, and could not go much further owing to the limited jurisdiction of the federal government in this field.

As I say, I see the establishment of such an office as a first step. Hopefully we could proceed beyond that stage in terms of a national educational policy. Some, I know, feel that the establishment of this body would be beyond the scope of section 93 of the British North America Act, but such people ignore the major role the federal government already plays in the field. Its activities go far beyond the degree of involvement proposed in the motion before the House. I therefore suggest that any who say the federal government should not set up a national educational office are hiding behind what I call the flim-flammery of the constitution, particularly section 93.

My view that the constitution is not a block to the setting up of a national education office or policy in the field of federal action is supported by the constitutional authority, Mr. J. A. Corry. He has stated:

> ... so whatever the dilemma about education in the Canadian federation is, it is not a constitutional one. Indeed s.93 becomes a model of flexibility. Whenever it becomes clear that special educational provision is needed to carry out responsibilities undertaken by parliament in the exercise of its exclusive powers in section 91, parliament is entitled to manage that provision by whatever means and instrumentalities are required in the circumstances. As so often turns out in this country, obstacles to action that are declared to be formidable constitutional barriers turn out to be merely political.

Our children and their education are too important to be played with politically. Until we treat education as a national priority and work with the provinces to eliminate national disparities, economic barriers to educational advancement, poor distribution of resources, ignorance of new advances, and fear and confusion in the discussion of educational goals there will be no solution of the problem. Not until we stop treating education as a tool of an economic stabilization policy will it be given the high priority it deserves in our cultural and social priorities. I hope that the formation of a national office will allow the provinces and federal government to do something they have never done before in the absence of a national focus on these issues, think in terms wider rather than narrow jurisdictions about the real educational issues which face us now and will face us in the future.

Finally, I hope the next time an international team of experts evaluates our education they will not be able to say, as was said in a recent OECD report, that:

> Canada has trodden down its own path with an array of exceptionally active programs for quantitative expansion and significant qualitative change of education systems that are however derived from no explicitly stated over-all national conception of the country's interests ... The general tone of (provincial) policy-making appears to be adaptations to

short-term pressures doing a little more than what already has been done and above all pressing for economies and reductions of expenditures.

I hope government members will not talk out this motion but accept what it represents, the initial, official federal thrust in this area, a thrust which will be given recognition by the establishment of the particular office alluded to in the motion.

I do not make my comments in isolation. The Canadian Teachers Federation, which represents a federated body of teachers right across this country, since 1971 has consistently recommended to the federal government the establishment of an office along the lines outlined in the motion now before the House, Indeed not only the Canadian Teachers Federation supports such an office; the Canadian Trustees Association, an association of school trustees of this country, has also urged the government to move in this direction.

Surely, if we concede that in a democracy the people ought to have some say in these matters, if we concede that there ought to be some dialogue, then the group which is elected to represent the best interests of education in the country ought to carry some weight with the government. Surely their attitude ought to indicate to the government their willingness to work actively within the kind of framework suggested this afternoon.

As I say, I hope hon. members opposite will not talk out this motion but, instead, accept its concept and let it come to a vote. Let us set about the business of establishing national goals in education in this country.

[*Translation*]

Mr. Bernard Loiselle (Chambly): Mr. Speaker, the hon. member mentioned that the Canadian Teachers Federation as well as the Canadian School Trustees recommended setting up such an agency. Does this include the CEQ and the Quebec School Board Federation?

[*English*]

Mr. Rodriguez: No, Mr. Speaker. CTF does not include CEQ for reasons best determined by its members. When I speak about CTF and the Canadian Trustees Association I am referring to all teachers and trustees in Canada except those in Quebec. Who have freely chosen to remain outside these national bodies.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I am glad to speak on the motion proposed by the hon. member on my extreme left. I was once a member of the Canadian Teachers Federation. In my relatively early youth I became a member of the Canadian Trustees Association. Now, of course, I am in that most omniscient of all groups, the parents of the products of our educational institutions.

The hon. member is to be commended for bringing forward a suggestion that is reasonable, reasoned, and timely. If I may say so, I think he was wise to discuss a national office rather than a national department. As he points out, to suggest the establishment of a national department might involve too direct an attack on well-established constitutional principles and patterns. I believe that much can be gained if there is a more informed, active, and uplifting role on the part of the national level of government in the important field of education.

● (1620)

The strengthening of national ideals and national purpose surely involves the educational process most heavily. The one level of government whose goals are national, not regional, not provincial, and not local, surely must be and is indeed the national government.

It is clear that much has happened since those years when we assumed from the provisions of the British North America Act that education was solely and purely a responsibility and function of the provincial jurisdiction. Federal presence has been felt in many, many ways in education, and nearly always in beneficial ways.

I believe that the university grants established, if I remember right, under the Prime Ministership of Mr. St. Laurent were one of the most forward steps ever taken by a national government. Who can say how many universities and how many thousands of university students were enabled to obtain a better life through that move, which was regarded by some of that time as an improper invasion of provincial jurisdiction? I am convinced that nothing but good came from that initiative.

If we look at the matter carefully we see that the federal presence, the federal fiscal presence in particular, is omnipresent. How many of our scholars depend upon assistance which emanates from Ottawa? How much research is encouraged from Ottawa? Indeed it is our claim that there has been a diminution in the national contribution to this important field.

I agree profoundly with the hon. member when he directed our attention to the role of our young people in the international scene and vice-versa. It is a matter of most profound concern that Canada and its educational institutions should be open to the young people of the world. We should encourage young people from different cultures to come and participate with our young people in the learning process. I suppose one of the most worthwhile endeavours in the last generation is the activity of the CUSO program—excellent ambassadors of this country, a world contribution to what one might call the Canadian outreach abroad.

I agree too with a view that is now becoming acceptable; that in the whole question of language training we must begin at the elementary school. There were many who thought that the report of the Commissioner of Official Languages was breaking new ground in his recent report. However, it was a quarter of a century ago that one of the greatest Canadians, Dr. Wilder Penfield, with his great learning and scientific and medical background, suggested exactly the same thing. Therefore this aspect of the hon. member's argument commends itself to me most strongly.

I think that it would be better to have an even stronger presence than he suggests, but I am pragmatic on this which shows that both Conservatives and socialists can be pragmatic if they put their minds to it. If they want to accomplish things, it is just as well that they both do.

I am never given to long speeches. I think that brevity is the soul of wit, as a great man once said. I will simply say that this is a positive contribution. It is the kind of subject

that our national parliament, on a sunny Friday afternoon, should be directing its thought and attention to. I commend the hon. member for his initiative and the well reasoned presentation with which he brought it forward.

Some hon. Members: Hear, hear!

Miss Aideen Nicholson (Trinity): Mr. Speaker, I would like to begin by saying that the hon. member for Nickel Belt (Mr. Rodriguez) has done a service by raising for discussion the matter of the federal presence in education.

I am not sure that the national office of education which the hon. member proposes would, in fact, do anything which is not now being done by the education support branch of the Secretary of State. I also think that the establishment of such an office might be perceived by the provinces as a direct assumption of their responsibilities as opposed to the collaborative sharing of responsibilities that now occurs in the field of education.

I think that the discussion of federal-provincial roles in education is very timely, particularly in view of the fact that the Fiscal Arrangements Act is due for review and that letters from the Secretary of State (Mr. Faulkner) to the ten provincial ministers of education were tabled in this House yesterday. I hope, therefore, that today's discussion will be useful in this broad consideration of the federal role in education.

The Secretary of State, in a speech in Toronto in March, 1974, said:

> One of the dangers of the current attention being focused on federal-provincial relations is that it makes for such sensational copy. As so often happens, the debate that rages around some initial question eventually comes to obscure that question altogether. Our attention is turned from what we are fighting for (if that is not too belligerent a term) to the fighting itself, and we as a nation can ill-afford to pay the social and political costs which such recklessness must surely entail.

The motion before us today allows us an opportunity to consider in a dispassionate way some of the arguments for or against direct federal involvement in education; the non-partisan atmosphere of private member's hour may assist us in assessing alternatives and trying to arrive at solutions on the ground of what Aristotle called "reason free from passion".

In the history of federal-provincial relations, education has been a central concern for a long time. The British North America Act of 1867 defined legislative jurisdiction over education "in and for each province" as exclusively a provincial matter. But the Fathers of Confederation could not anticipate the changes in education—both adult and childhood education, part-time and full-time—needed to deal with technological and other changes in the last century.

What the Fathers of Confederation did realize, however, was that the unity of our nation might not infrequently be subject to stresses and strains, that there was need for vigilance if the federation were to survive, and that the primary responsibility of the federal government was to protect the interest of the nation. In order to respond adequately to the needs of all Canadians the federal and provincial governments developed a continuing working relationship out of which came a series of formal or tacit agreements to deal with specific areas.

It has been said that federation is the most difficult and inefficient of all forms of government, that every time attempts are made to reach agreements our national strength of purpose is tested more or less severely. However, in our great nation there are very great regional differences and, while the effort to reconcile differences is often difficult, it is also true that as a nation we have learned a good deal about reconciling differences and working together in ways that use our collective energies most productively. The task of establishing in Canada an education system which will enable Canadians to respond creatively to the demands of the present and of the future is a task which calls for the fullest and most effective use of those energies.

Although the terms of the BNA Act of 1867 defined education as a provincial responsibility, direct federal support came quickly, beginning in 1874 with the creation of the Royal Military College. The Agricultural Instruction Act of 1913 similarly applied federal moneys to specific educational purposes. During World War I the federal government of the time recognized that a national research effort would be essential for post-war development of Canadian industry and the growth of the national economy and in 1916 the National Research Council was created, although it was not until the 1930's that the National Research Council set up its own laboratories and began its extensive program of research grants to universities.

● (1630)

With the reduction in provincial expenditures in education during the depression years, universities turned to the federal government with requests for direct financial assistance. The difficulties of the universities elicited in 1940 a sympathetic response from the Rowell-Sirois Commission on Dominion-Provincial Relations which, while re-emphasizing the provincial responsibility for education, recommended small per capita federal grants to universities in order to ensure "equal participation of all regions in the national life". This recommendation was not in fact implemented at that time and universities continued to be largely self-financed and autonomous and increasingly concerned about their ability to survive. With the anticipated post-World War II influx of war veterans into universities the federal government enacted the Veterans Rehabilitation Act of 1945 which provided institutions of post-secondary education with temporary relief only. By 1949 the universities had renewed their appeal for federal funding.

There seem to have been two main issues raised by the universities at that time—the possibility of damage to the country's economy if the universities' financial crisis forced them to reduce the training of professional manpower, and the possibility of raising fees to a level which students from lower income families could not meet, thus threatening the principle of equal opportunity for all Canadians to which the national government has always been committed.

In 1951 the Massey Commission on the National Development of Arts, Letters and Sciences recommended that a small per capita grant of 50 cents be made to the universities, and this recommendation was immediately implemented by the federal government. The Massey Commission, however, was concerned with much more than

financial rescue on an ad hoc basis. The preamble to the Commission's terms of reference included the following: "It is in the national interest to give encouragement to institutions which express national feeling, promote common understanding and add to the variety and richness of Canadian life, rural as well as urban". The report recommended continued active involvement on the part of the national government to ensure the cultural and intellectual development of the country as a whole. I quote from that report as follows:

> . . . all civilized societies strive for a common good, including not only material but intellectual and moral elements. If the federal government is to renounce its right to associate itself with other social groups, public and private, in the general education of Canadian citizens, it denies its intellectual and moral purpose, the complete conception of the common good is lost, and Canada, as such, becomes a materialistic society.

Implementation of the recommendations of the Massey Commission from 1951 on saw the federal government develop its current role as patron of arts and culture and patron of education and research.

The activities of such national institutions as the CBC, the National Film Board, and the Canada Council represent part of the federal involvement in education in the broad sense of the word. The activities of the Medical Research Council and the National Research Council are two examples of more specific clearly defined efforts to ensure the advancement of knowledge and the development of Canadian technology.

Adult education has been supported by the federal government in a variety of ways for a long time—grants to such organizations as Frontier College, the Canadian Association for Adult Education, the training grants administered through the Department of Manpower in collaboration with the provinces, are all part of the continuing effort to provide Canadians with education and training appropriate to a variety of situations and needs.

In 1966 the Secretary of State was assigned the task of advising cabinet on post-secondary education, and an education support branch was established in that department. It later became responsible for the administration of that part of the Federal-Provincial Fiscal Arrangements Act of 1967 which relates to post-secondary education.

In 1973 the Department of the Secretary of State was designated by cabinet as the agency within the federal government responsible for co-ordinated development, formulation, implementation and review of federal policies and programs relating to education. The responsibilities of the branch are broad and appear to me to include all the functions which the hon. member for Nickel Belt proposes for a national office of education. Areas in which the branch now has responsibilities include:

1. Federal policies and programs in support of post-secondary education generally;

2. Communication with provincial governments, the academic community and national organizations on matters of education;

3. Co-operating with the Department of External Affairs in co-ordination of Canada's effective participation in international fora on educational questions;

4. Evaluating the effectiveness of federal policies and programs in support of education against national goals.

Among other activities the staff of the branch participated in the OECD review of education policies in Canada and the preparation of a federal-provincial report entitled Education in Canada for the International Bureau of Education—UNESCO. I shall refer later to that UNESCO document which raises exciting new prospectives in education.

In the international field the staff of the branch have participated with Department of External Affairs officials in meetings of major international organizations and agencies—OECD, UNESCO and the Commonwealth Secretariat. The branch was represented on Canadian delegations to the OECD Education Committee and the Biennial Conference of the International Bureau of Education—UNESCO—as well as in preparations for the Commonwealth Conference on Educational Broadcasting.

At the present time one hears two conflicting opinions on the issue of direct national or federal involvement in education. The Association of Universities and Colleges of Canada, for instance, has claimed that "... national involvement of Canadian universities requires a federal presence . . ." and, "The universities wish to deal directly with the federal government in matters of national interest". The Canadian Association of University Teachers has expressed a concern at the current tendency to view post-secondary education from a purely regional perspective, arguing that a wider viewpoint is necessary if universities are to be allowed to make their full contribution to Canadian life. On the other hand provincial governments are now seeking to play a greater role in the distribution of educational moneys. In times of restraint, questions of priorities and resource allocation arise, and educational objectives that were largely unexamined during the period of unrestrained growth are now being questioned and re-evaluated. We probably had unrealistic expectations of education, but certain there is a fairly high degree of disillusionment in the country because education has not provided a better social and political order and the realisation of many ideals.

● (1640)

Because education enjoys so large a proportion of public funds there is increased concern about accountability. The Fiscal Arrangements Act of 1967 ties federal contributions for post-secondary education to the operating expenditures of each institution which, in turn, are dependent on the allocation of provincial resources. This means, in effect, that certain provincial disparities in the provision of post-secondary education across Canada continue and this is certainly an area that should be examined in anticipation of the expiry of the present arrangements in 1977.

Apart from the federal government's concern about equality of opportunity for Canadians, the federal government also has a particular interest in education, particularly in post-secondary education in terms of preparation for the job market. It is the national government that has the responsibility for keeping in view the manpower needs of the whole nation. Since 1964 the Canada Student Loans Plan has represented an important source of assistance to provide Canadians with equality of opportunity to further their career goals.

The UNESCO report to which I referred earlier, published in 1972 and entitled "Learning to be", suggested a

very radical transition in our traditional views on education. Modern technology, it suggests, has made the mere aquisition of information the function of the computer and has released man from the routine of mental labour. In the light of these advances the report claims that "liberating the energies of the people, unleasing their creative power, heads the list of future prospects for the development of education in the world of tomorrow." Demographic changes in Canada will impose other changes in education. As future populations include fewer children and proportionately more adults who may need to retrain and re-adapt a number of times in their career lives, changes become implicit in childhood as well as in post-secondary education, if, the words of the UNESCO report, people are to "learn to live, learn to learn, so as to be able to absorb new knowledge all through life, learn to think freely and critically; learn to love the world and to make it more human".

As we approach this exciting and difficult task I think that the solutions will be found, not in establishing one new agency as the motion before us proposes, but rather in a very sensitive working out of formulas which neither infringe on provincial jurisdiction nor deny the responsibility of the national government in this area.

Mrs. Ursula Appolloni (York South): Mr. Speaker, I too would like to congratulate the hon. member for Nickel Belt (Mr. Rodriguez) on his excellent recitation. Unfortunately, while I find it intellectually extremely timely, because of our present restraints program I think it is hardly economically feasible, and this I regret very much. However, I am so enthused by many of his thoughts that I might suggest that this be put on our agenda for our post-AIB controls program.

I should like to refer to some of the points he made with which I thoroughly agree. He spoke or the unequal educational opportunities that exist for the youth across Canada. This is a fear that haunts every concerned parent in this country. Is a child who has to move from one province to another, especially during mid-term, going to have equal opportunity because of the move? It is not only moving from one province to another; it is also moving from one board of education to another. The riding that I have the honour to represent has two different boards of education, each with quite a different system. If a child moves just three blocks away in the same city, he goes to a different system of education with different opportunities offered. As I say, this is a fear that haunts parents.

The hon. member also referred to the long-term demands of the labour market. This too is of extreme importance. It is often foolhardy, even cruel, of us to insist that youngsters stay in school and become highly educated, only to have them pushed into intellectually bankrupt jobs. Then there are questions like job satisfaction, pride is one's activity, and so on. Which of us at this moment would dare criticize the youth of this country because they are dissatisfied with their jobs, since we have not prepared them perhaps for the right job? We just tell them to get educated; we do not have the foresight to proper jobs.

The hon. member also mentioned national goals. Obviously bilingualism should receive high priority. I should like to mention some of my own priorities. For instance, Canadian studies. I should like to refer the House to a test that was conducted, I believe last year, by Mel Hurtig among 3,500 final year high school students across Canada. It was quite a simple test on Canadianism, yet 62 per cent of those students failed and 61 per cent did not even know that the British North America Act is the Constitution of Canada. Many of these students believed that Toronto or Montreal was the capital of Canada. After receiving the results of his test, one student said, "After going through this I found myself wondering what it was that I had learned in 13 years of school". Another said, "I can't believe how ignorant I am about Canada".

Is it not reasonable to expect that Canadian children should be learning elementary facts about their country in Canadian schools? A research group at Glendon College, York University, showed that only one third of Canadian schools surveyed had courses in Canadian literature.

As for the matter of text books, a study by the Independent Publishers' Association of Canada shows that 88 per cent of school library money goes to foreign books. Some Canadian school boards spend every cent of their money in the United States. What I am preaching is not narrow-minded nationalism; I am asking that Canadian children should have some knowledge of this country and its history, how government works, world issues and how they affect Canada. They should be taught pride in Canada, and concern for its survival as an independent country. Our children should be taught concern for the rich multicultural heritage that Canada enjoys. Here again, why is it that only children lucky enough to live in the bigger centres of Canada can really appreciate the rich multicultural heritage that is now ours?

● (1650)

How many Canadian children know about native rights? How many of them know how our native people live and what their aspirations are? As I said, these are some points that personally I should like to see added to this list of things to which an office such as the hon. member suggests could dedicate itself.

Coming back to the subject of textbooks I shall quote from the "Canadian Journal of Studies" for May, 1975, a statement by William Clarke, President of Clarke-Irwin & Co. Limited:

> While the federal government may not have direct involvement in the process of determining curriculi, the federal government of course is directly involved in many aspects of education through grants to provincial governments for French language instruction, metric conversion and so on, and of course the federal government has a role to play in stimulating if nothing else the creation of Canadian educational material in co-operation with provincial governments. This is a role which is desperately needed.

I first became interested in the question of federal co-operation, shall we say, in education in our country when I received a letter shortly after my election in 1974 from the Canadian School Trustees' Association. One paragraph of this letter reads as follows:

> . . . we believe that there is a national context to education; one that must be recognized to a far greater degree than at present if we want students in all schools of Canada to be able to compete on equal terms for the good life this country can provide. We further believe that recognition of the national context of education can be given without offence to the British North America Act.

I am not a constitutional expert and therefore I do not intend to go into those aspects. It is interesting, however, to note that further to my expression of interest the Canadian School Trustees' Association further elaborated their aims and objects. They state:

The values are as follows:

1. There is a growing national complex to education in this country. It requires a recognizeable office of the federal government to assist in the co-ordination:

a) national objectives whereby we want the children of Canada to become Canadians and not Alberta Canadians, Quebec Canadians, Ontario Canadians, etc.

(b) levels of equivalencies whereby parents can move from one province to another and feel assured that their children will encounter educational requirements that are similar from one grade to another.

(c) assistance in the co-ordinating and effective use of the newer media available, especially in programs that can be used in any one province at any time. There is not only a need for materials to use in the newer media, but also for effective methods of distribution.

(d) there is a need to develop instructional technology that school boards can use in any province.

(e) bilingualism is a fact of life in Canada now, but the children in the schools must be prepared for a bilingual Canada in terms of cultural values, and in terms of competing for employment. There is a need to provide for some co-ordinating agency, and instructional materials that are effective and quick.

(f) leadership and co-ordination in all facets of education.

(g) Canada is really handicapped in its communications with other countries who have federal offices of education of various kinds. We need to be equipped with an office that can speak for Canada in educational matters at UNESCO, OECD and other international meetings.

(h) there is not equality of opportunity to education in Canada at the present time, despite many attempts to provide same. If Canada is to be one country from sea-to-sea, the children in this country must have such equality of opportunity. The parochialism of Canada needs to be tempered considerably, and an Office of Education in Ottawa could assist materially in such matters.

2. There are constitutional problems that inhibit the formation of an Office of Education—but such problems have not presented the massive sums of money that the federal government contributes to post-secondary education. The provinces agree to the federal government being involved, in fact are seeking more involvement in financial terms at the post-secondary level. There is no reason why such co-operation could not be developed in the interests of Canadian children who are entitled to inherit a country that is Canadian first.

3. Federal government policies, especially in programs that require contributions from the provinces, affect the over-all budgets in the provinces, and hence the budgets for the provincial departments of education. There is no office in Ottawa at the present time to remind the federal government that social programs of cost-sharing nature will affect educational resources both financial and human. The situation has grown to the point where we feel that there must be an official office in Canada to speak for education and protect its interests in every part of Canada.

4. There is also a very great need for research and development of education in Canada, and we have just witnessed the cancellation of an educational technology department which was doing valuable work in giving counsel and leadership to education in such matters as audio-visual aides, videodiscs, computer assisted learning etc. If there had been an Office of Education the cancellation could have been averted.

5. Generally speaking, we are a growing nation that needs to have a well prepared generation to take over—a generation that will be understanding, co-operative and compassionate to the very great diversities of this country in cultures and languages. Without leadership in such matters through an Office of Education the requirement is not being adequately met. The future of this country calls for such an office.

6. The Secretary of State is involved to a great degree in education, and the work being done by him is appreciated—but more is necessary—the Secretary of State has many matters of concern. The fact that the Secretary of State is in education, with the consent of the provinces, is a strong argument in favour of a national office.

The fact that the ministers of education in Canada have formed the Council of Ministers of Education/Canada is another strong argument—there was a need, and they are trying to fill the need.

Trustees, teachers, administrators and parents all have—

The Acting Speaker (Mr. Béchard): Order, please. It being five o'clock this House stands adjourned until Monday next at 2 p.m.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, May 31, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

URBAN AFFAIRS

SUPPORT FOR AIMS AND OBJECTIVES OF UNITED NATIONS CONFERENCE ON HUMAN SETTLEMENTS—MOTION UNDER S.O. 43

Mr. James A. McGrath (St. John's East): Mr. Speaker, I ask leave of the House to move a motion under the provisions of Standing Order 43. In order to mark the opening of what is perhaps the most important and certainly the biggest conference in the history of the United Nations, to which Canada is today playing host—and this motion will commend itself to the support of the House—I move, seconded by the hon. member for Egmont (Mr. MacDonald):

That this House supports the aims and objectives of the United Nations Conference on Human Settlements opening today in Vancouver as it attempts to cope with the growing problems of shelter, diet and environment for the peoples of the world.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The provisions of Standing Order 43 require the unanimous consent of the House before presentation of such a motion. Is there unanimous consent?

Some hon. Members: Agreed.

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

Some hon. Members: Agreed.

Motion agreed to.

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FISHERIES

SUGGESTED ANNOUNCEMENT CONCERNING 200-MILE LIMIT AND POSITION IN ICNAF—MOTION UNDER S.O. 43

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I ask leave, under Standing Order 43, to move, seconded by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall):

That this House orders that Canada, in view of the decline in fish stocks off our coasts, and the lack of precise information regarding existing stocks in the areas to be retained under Canadian jurisdiction, should immediately announce its intentions with regard to establishing a 200-mile limit, as well as Canada's related position in ICNAF, and that announcements concerning these matters should first be made in this House.

Mr. Speaker: Such a motion, pursuant to Standing Order 43, requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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ANTI-INFLATION BOARD

PROPOSED COLLABORATION BETWEEN GOVERNMENT AND BOARD TO PRODUCE EQUITABLE WAGE SETTLEMENTS IN MINING INDUSTRY—MOTION UNDER S.O. 43

Mr. Howard Johnston (Okanagan-Kootenay): Mr. Speaker, I rise under the provisions of Standing Order 43 to raise a matter of urgent and pressing necessity concerning the growing portion of the mining industry which is tied up by strikes against rulings of the Anti-Inflation Board. I move, seconded by the hon. member for Prince George-Peace River (Mr. Oberle):

That this House direct the Minister of Labour, the Minister of Finance and the Minister of Energy, Mines and Resources to collaborate with the Anti-Inflation Board in producing a formula which would bring equitable wage settlements in that industry.

Mr. Speaker: Order, please. Such a motion can be presented, pursuant to Standing Order 43, only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1410)

HOUSE OF COMMONS

PRESENCE IN GALLERY OF CONGRESSMAN PAUL ROGERS OF THE UNITED STATES

Mr. Bob Kaplan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I should like to call to the attention of hon. members the presence in our gallery of a distinguished visitor from the Congress of the United States, Congressman Paul Rogers who is chairman of the subcommittee on Health in the Environment and of the Committee on Interstate and Foreign Commerce.

Some hon. Members: Hear, hear!

Oral Questions

ORAL QUESTION PERIOD

[*English*]

EXTERNAL AFFAIRS

PAKISTAN—POSSIBILITY OF SIGNING AGREEMENT TO SELL NUCLEAR TECHNOLOGY—SAFEGUARDS AGAINST BUILDING OF BOMB

Mr. James Gillies (Don Valley): Mr. Speaker, I had a question for the Secretary of State for External Affairs but in his absence I shall put it to the Acting Prime Minister. In light of the statement made by the Prime Minister of Pakistan this week-end that Canada and his country were virtually at the stage of signing an agreement on nuclear exports and nuclear activity, and that the delay that has taken place so far has been on Canada's part only, until the resolution of the problem of India; now that that is behind us can the Acting Prime Minister tell the House how close we are to entering into an agreement with Pakistan?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I cannot be sure about the time it will take to conclude negotiations but I can assure the hon. gentleman that we have not had the same problem in dealing with Pakistan that we had with India.

Mr. Gillies: A supplementary question, Mr. Speaker. Given the fact that the Prime Minister of Pakistan made the statement after the explosion of the Indian nuclear bomb that they were in fact looking for nuclear devices in order to balance the weapons situation between the two countries, what assurance do we have in Canada that we are not going to see a repetition of the Indian situation if we go ahead with negotiations with Pakistan? May we not find at some later date that Pakistan has built a bomb? What assurance are we going to have from the government of Pakistan before an agreement is signed that that is not going to happen?

Mr. Sharp: Mr. Speaker, as the hon. gentleman will recall the agreement we had with India said that the co-operation between Canada and India could not be used in order to enable India to produce a nuclear bomb. We had assumed from that agreement—and it turned out that our assumption was inaccurate—that it would also prohibit a nuclear explosion of any kind. In any negotiations with Pakistan, we will ensure there is no such ambiguity.

Mr. Gillies: A final supplementary, Mr. Speaker. Can the Acting Prime Minister assure the House that the terms of the safeguards agreement between Pakistan and India will be tabled in this House before that agreement is signed?

Mr. Sharp: Mr. Speaker, I could not give that undertaking. The government takes responsibility for agreements of this kind and for all agreements with sovereign countries. This is a long standing rule that has prevailed in Canada, that the government does take responsibility for such transactions. I can assure my colleague, however, that the Secretary of State for External Affairs would have no objection after the agreement is reached, of tabling it and having whatever discussion is necessary.

[Mr. Kaplan.]

REQUEST FOR STATEMENT ON SAFEGUARDS AND SANCTIONS IN EVENT OF NUCLEAR SALE TO PAKISTAN

Mr. David MacDonald (Egmont): Mr. Speaker, I have a supplementary question for the Acting Prime Minister with respect to the present negotiations with Pakistan concerning nuclear assistance. I wonder if he could give an assurance to this House that if it is not possible to table the actual agreement that the Prime Minister or the Secretary of State for External Affairs will make a statement on motions shortly indicating what improved inspection procedures might be in effect with respect to Pakistan? Could he also inform the House whether any sanctions will be imposed in light of the completely unacceptable situation, and apparently unworkable situation, with respect to sanctions applying to India?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, as I said in answer to the previous question, in any agreement we have with Pakistan there will be no ambiguity on this point of confirming that nuclear explosions will be prohibited under the agreement.

Mr. MacDonald (Egmont): A further supplementary question. I am not sure that the Acting Prime Minister fully understood my question. I am interested to know whether in this case—as was not present in the agreement with India—there will be sanctions that will have some impact? Perhaps either he or the Prime Minister would elaborate on the question I asked the Prime Minister on May 4 with respect to some kind of collective agreement and sanctions resulting from the London Club agreement. I believe the Prime Minister at that time offered to give me that kind of indication or assurance, so that we might know that negotiations with Pakistan would provide real protection.

Mr. Sharp: Mr. Speaker, I will take that request under consideration and discuss it with the Prime Minister and the Secretary of State for External Affairs. I return to my previous answer to the hon. member's question. In the case of India, the problem was that India claimed that it had not broken the agreement it made with Canada and therefore that it had not in any way merited the kinds of sanctions we found it necessary to employ by way of withholding aid for certain purposes and denying further nuclear co-operation. That arose because India would not agree with our interpretation of the agreement. Therefore, on this occasion, we will try to enter into an agreement with Pakistan, if one emerges, an agreement which avoids the ambiguities which led to the difficulties with India.

POSITION OF PAKISTAN ON NUCLEAR NON-PROLIFERATION TREATY

Mr. David MacDonald (Egmont): A supplementary question, Mr. Speaker. As President Bhutto has said that there would be an attempt to achieve nuclear parity with India, I wonder if the Prime Minister can say if the government of Pakistan, as an indication of its own intentions, has made any decision regarding the ratification of a non-proliferation treaty, and would this be in conformity with Canada's own condition concerning any final agreement with Pakistan.

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I am not sure about the ratification process. Certainly, any indication by Pakistan that they intended to go the route of having nuclear weapons would make it impossible to have the kind of co-operation between Canada and Pakistan that they desire.

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FINANCE

ALLEGED USE OF ERRONEOUS UNITED STATES PRODUCTIVITY FIGURES

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is for the Minister of Finance. Considering the finding of the C.D. Howe Research Institute that data used during the past many months for comparing United States and Canadian levels of productivity increases was in serious error, that instead of Canadian productivity increases being half that of U.S. for the period 1969-74 Canadian productivity increases were twice as great as the United States, would the minister confirm that the government itself based a number of its recent major economic decisions on that erroneous data?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the economic review dealt with the updated United States information pointing out that the disadvantageous situation which had appeared to exist as between Canada and the United States was not as severe as we had anticipated.

* * *

ANTI-INFLATION PROGRAM

ALLEGATION WRONG DATA USED AS BASIS FOR IMPOSITION OF PROGRAM

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, that is some understatement. We have gone from a claim to being only half as productive to being twice as productive in terms of increases. That's some difference. As the minister, when introducing the wage and price control program last fall, said that cost-push inflation threatened to price our goods out of world markets, will he now admit that his data then was wrong and that it was the major justification for a wage and price control program? If that is so, if he has now changed his mind, as he just acknowledged in his answer and admitted that the data was wrong, does the program have any further justification?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I had occasion last fall and many times since, both inside and outside the House, to point out that until the middle of the summer of 1975 we could not justly blame wage settlements in Canada as being the basis for the creation of inflation in Canada. As we pointed out in introducing the anti-inflation program, we were concerned because in the fall of 1975 the level of demands in wage negotiations and, indeed, wage settlements themselves, running up to between 20 per cent and 30 per cent had created, in the words of the hon. gentleman, a threat which would put the Canadian economy, in time, in a disadvantageous position. We were faced with the threat of a substantial cost addition to the Canadian economy which would affect our competitive position. As I pointed out many times, for that reason we introduced the program not because of figures existing prior to the middle of 1975.

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FINANCE

POSSIBILITY OF TAX CUTS FOR AVERAGE AND LOW-INCOME GROUPS

Mr. Edward Broadbent (Oshawa-Whitby): A supplementary question, Mr. Speaker. For the first time in five years Canadian wage increases were running ahead of United States wage increases for a number of months, and the minister says the government had to bring in a program to deal with that. We do not agree. The minister said more recently that 50 per cent of the goods we produce is intended for export. I point out that only 28 per cent of the manufacturing sector in Canada is in the export business, or primarily in the export business. Considering this correction of his own recent figures, will he now reconsider the government's position announced in the budget on the issue of the tax cut and bring forward a tax cut soon for the average and low income people as the principal means of stimulating the Canadian economy?

● (1420)

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, on the first assertion made by the hon. member, indeed it had to be of concern to a great many Canadians, if not to the hon. member and his colleagues, that the rate of inflation last October was 10.6 per cent. There was a widespread feeling in Canada that action should be taken, if necessary by direct controls. It was not as the hon. member seeks to represent. Simply the fact that there had been this move in the wage rates in Canada had to be of serious consideration. The fact was that a 10.6 per cent rate of inflation was more than we felt Canadians should bear. The hon. member has never given any indication as to what, if anything, he would have done about the increase.

* * *

[*Translation*]

TRANSPORT

REQUEST FOR INQUIRY INTO USE OF FRENCH AS WORKING LANGUAGE BY QUEBEC RAILWAY EMPLOYEES

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, my question is directed to the Minister of Transport.

Could the minister tell the House whether he has received some complaints lately from Quebec French-speaking railwaymen apparently frustrated since, as a security measure, they are unable to use French in their work? If so, does the minister soon intend to make an inquiry in this connection to avoid similar conditions as those which have prevailed and still do in the airports and which could extend in the near future to the entire communication sector?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I will certainly inquire to see if such a complaint has been registered. I have not seen it personally, but I will check to see if it has been received in my office.

* * *

[*Translation*]

AIR TRANSPORT

INQUIRY WHETHER FRENCH RECOGNIZED AS SECOND WORKING LANGUAGE IN AVIATION

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a supplementary question to the President of the Treasury Board. The other evening I saw on television that in Italy, for example, in aviation, English and Italian and elsewhere English or Spanish, English and Chinese and English and Japanese are used. I accept his premise and recognize that English is the international language of aviation. Is the President of the Treasury Board in position to state that there is no cowardice on the part of the government, because it is serious to hear the member for Matane say that the cabinet is cowardly or unreliable when it comes to bilingualism. Is he in a position also to say whether indeed French will be recognized in Canada as in other countries as a second language in aviation?

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, the facts are self-explanatory. There are already five bases in Quebec where French is officially used. The question, as so aptly explained by the Minister of Transport, is that in large airports as in Montreal, the safety problem is a very important factor and we are having an inquiry commission on that matter. I wish to confirm to the hon. member that bilingualism in Canada is non negotiable, it is a Parliament legislation and we will abide by the legislation voted by the House of Commons.

* * *

[*English*]

NATIONAL DEFENCE

TESTING OF NEW UNITED STATES TORPEDO AT NANOOSE BAY—FINANCIAL ARRANGEMENTS FOR USE OF TEST STATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, in the absence of the Minister of National Defence, I will direct my question to his parliamentary secretary. He has been given notice of the question. Has the United States been testing or are they going to test their new sleeping torpedo, sometimes called the Captor, at the underwater test station at Nanoose Bay?

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I wish to thank the hon. member for giving me notice of the question. The delivery system of the Captor is indeed being tested at Nanoose range. I might point out that the Captor carries a charge of approximately one pound.

Mr. Forrestall: One pound is about all that a nuclear warhead weighs. Can the parliamentary secretary advise the House as to the financial arrangements between Canada and the United States for the use of the Nanoose installation? We carry out so little in the way of weapon development ourselves that I imagine it is used mainly by the Americans. Can the parliamentary secretary tell us just what are the financial arrangements between the two countries with respect to the use of this station?

Mr. Dionne (Northumberland-Miramichi): The Nanoose range is an acoustic range for testing underwater devices; its facilities are shared between the Americans and ourselves. We supply the range itself and half the personnel, while the Americans supply the test equipment and the other half of the personnel. There is a sharing of information. The range is used for underwater testing because the water there is relatively quiet and deep and because it is one of the few sites available on the West Coast for such a purpose. It is not unusual for Canada to share the range with other nations. As a matter of fact, not too long ago the Russians, with Canadian concurrence, used the range for testing the *Pisces*.

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ANTI-INFLATION BOARD

REASON BOARD USES PERSONNEL LENT BY PRIVATE SECTOR—POSITION OF PRIVATE SECTOR ON REMUNERATION AND LOSS OF SERVICE OF EMPLOYEES

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I wish to address a question to the Minister of Finance with respect to hiring practices under the Anti-Inflation Board. Can the minister confirm that major banking and trust institutions have on occasion been approached by government to lend personnel to the Anti-Inflation Board on the basis that the employers will be reimbursed for salaries paid to their personnel in their absence while working for the Board? Is this done in order to give the appearance to the public that the AIB has, in fact, less staff and expenses attributable to its operations than is actually the case?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would have to confirm whether or not there has been an approach to that specific area of industry. The principal purpose, in going to the private sector is, of course, to obtain the services of people who are familiar with the private sector costing and pricing practices so that the Board can act on the basis of actual experience in the private sector, rather than a view of the private sector as seen by various departments of government.

Mr. MacKay: I thank the minister for his answer, Mr. Speaker. I would like to ask him by way of a supplementary question whether or not he is aware this subject has been under discussion at meetings of financial institutions and that the question of remuneration for the loss of employees' services while employed by the AIB as well as disruption to the particular companies involved, caused by the loss of these key personnel, was a matter of concern. Would the minister be good enough to check on this matter and report to the House in due course?

Mr. Macdonald (Rosedale): Mr. Speaker, I am not aware that this matter has been discussed by any financial insti-

tution. It seems to me it is both in the interests of the program and of the private sector itself that a program for which the private sector has expressed support should be made to operate most effectively with the help of experienced people who have been in a particular line of business. It has not been unusual in the past, and I hope it will not be in the future, to get the benefit of the private sector in formulating and carrying forward government programs.

* * *

FINANCE

REASON FOR CHANGES IN TARIFF ON PORK

Mr. Jack Murta (Lisgar): Mr. Speaker, I would also like to address my question to the Minister of Finance. It has to do with the recent budget. Since there appears to be unanimous agreement among industry spokesmen that the tariff changes brought about in the budget will have a detrimental effect on the pork industry in Canada, would the minister tell us why the government felt it necessary to make these changes, bearing in mind that the pork industry was just recovering after two poor years and the proposed tariff changes will certainly set back that recovery?

Hon. Donald S. Macdonald (Minister of Finance): I do not believe that would be a universally accepted opinion, Mr. Speaker. The change involves an amount of half a cent per pound, which is not considerable, but the feeling was that it would be of some assistance from the consumers' standpoint in protecting them from an increase in food prices.

* * *

WEIGHTS AND MEASURES

METRIC CONVERSION—ALLEGATION THAT ADVANTAGE TAKEN OF CONSUMERS—METHOD OF SURVEILLANCE

Mr. James A. McGrath (St. John's East): I would like to direct a question to the Minister of Industry, Trade and Commerce in the absence of the Minister of Consumer and Corporate Affairs, recognising that the minister shares responsibility in this area. During the committee hearings on the resolution on metric conversion an undertaking was given by the government that there would be surveillance in the marketplace to ensure that metric conversion would not be used as a means of ripping off consumers. Since evidence is now coming to light that this is occurring in certain parts of the country, may I ask the minister what steps he and his colleague have taken to ensure that this consumer rip-off does not continue in the name of metric conversion?

● (1430)

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, first of all may I thank the hon. member for giving me notice of the question. Unfortunately, there was not an opportunity for me to consult over the last few days with the Minister of Consumer and Corporate Affairs. In a general way, however, we have talked about it and I understand that the program or system of surveillance is conducted by the Department of Consumer and Corporate Affairs and it is, of course, open to anyone to lodge a complaint with that department.

I am not sure whether I am anticipating a supplementary question so perhaps I had better let it go at that for the moment.

Mr. McGrath: Mr. Speaker, a supplementary question. What procedures are entailed in this system of surveillance for laying charges, since evidence is now coming forward that retailers, especially food retailers, are in fact using metric conversion as a means of packaging smaller quantities while charging either the same price or one which is higher?

Mr. Jamieson: Mr. Speaker, so far as the conversion to metric is concerned, I believe that the hon. member is aware that it is essentially a voluntary program. There are, therefore, no penalties within the metric conversion program itself. I would ask him to have a little patience and to ask the Minister of Consumer and Corporate Affairs directly whether there is any other legislation under which action could be taken. I would also say to him, because I think it will be of interest, that it is my intention to bring forward the first of what will be four omnibus type bills which were recommended unanimously by the committee last fall. I shall be doing this during 1976, but I do not anticipate it is likely to happen before the summer recess.

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SUPPLY AND SERVICES

LOCKHEED CONTRACT—CONDITIONS TO BE MET BEFORE CONTRACT SIGNED

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of Supply and Services. On May 20, as reported in *Hansard* at page 13700, the minister confirmed to this House that he had sent a Telex to Lockheed on December 3 authorizing them to begin work on the LRPA and saying that the government intended to sign a contract with them if certain conditions were met. I wonder whether the minister would tell the House what these conditions were?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, one of the conditions was that Lockheed would have to get permission from the American government to transfer to Canada the equipment to be used for the manufacture of part of that plane as well as that of a similar plane to be supplied to the American Department of Defence.

[*English*]

LOCKHEED CONTRACT—REASON MINISTER UNAWARE OF DEFENCE DEPARTMENT'S LACK OF FUNDS AND COMPANY'S ASSURANCE OF FINANCING

Mr. Allan B. McKinnon (Victoria): A supplementary question, Mr. Speaker. On Tuesday, May 25, the minister

told this House that the representative from his department on the LRPA project team was not aware that Lockheed had given a verbal assurance that it could provide funds to meet DND's shortfall. On March 29 the minister told the House that he himself was unaware that DND had a shortfall when he authorized work to begin. Would the minister tell the House whether his deputy minister prepared for him a brief prior to the Treasury Board meeting of December 1, a brief which specifically discussed DND's shortfall? Would the minister also tell the House whether he attended that Treasury Board meeting and, if so, how was it possible for him to remain unaware of the fact that DND lacked funds and that Lockheed had given a verbal assurance it could provide these funds, given that both these facts were mentioned in the brief to Treasury Board?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, the hon. member is making very gratuitous statements; it is a serious matter for him to put questions in that fashion. I shall reply simply and briefly that, before December 2, neither myself nor my deputy minister nor my representative on the management team of the LRPA project were aware of the possiblity that Lockheed might supply the money required to finance the project.

[*English*]

LOCKHEED CONTRACT—ALLEGATION MINISTER BLAMING DEFENCE DEPARTMENT FOR NOT INFORMING HIM ABOUT LACK OF FUNDS

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is also directed to the Minister of Supply and Services. As there appears to be a continuing disagreement between the minister and the Minister of National Defence about the Lockheed deal, and since the minister has expressed the view that General Allan should have gotten assurances about the financing in writing and that General Allan was guilty of a fundamental error resulting in the government having to assume a liability for $16 million or thereabouts, would the minister say what was the function of the Department of Supply and Services in this field, and was it not to check on the financial details? Was not his representative, Mr. L. H. Stopforth, a member of the special interdepartmental committee on the project, and did he know or should he have known of the financial difficulties in question?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, first of all, I should like to refresh the hon. member's memory. In every reply I have given to the questions put to me in this House, I have indicated clearly that financing is always the responsibility of the purchasing department. The hon. member should learn how the government operates: that is elementary. Second, the hon. member should refer to the answer I have just given. Third, I would ask the hon. member to consult *Hansard* for March 30, 1976, where, on page 12265, the Minister of Defence mentions the part played by General Allan.

[Mr. McKinnon.]

[*English*]

Mr. Brewin: A supplementary question, Mr. Speaker. May I ask the minister whether it would not be reasonable for him, instead of talking about attempted blackmail by the military, to accept at least some of the responsibility for his department's failure to fulfill its financial responsibilities?

[*Translation*]

Mr. Goyer: Mr. Speaker, the hon. member is being very generous in trying to cast blame right and left. I will do just that for him since he has asked. The hon. member should know that the government operates in such a way that whenever a department asks us to proceed with a purchase, it must ascertain that it has sufficient funds to do so. The hon. member will understand that we have no other alternative since there are hundreds of purchase contracts each year and since we cannot possibly go back to the purchasing department and check its books to see if the funds are available. Perhaps the hon. member could check his own books to learn how the government operates.

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[*English*]

AIRPORTS

ST. LÉONARD, NEW BRUNSWICK—REQUEST FOR DETAILS OF GOVERNMENT'S PLANS

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, my question is for the Minister of Transport. In view of the fact that the legislative assembly of New Brunswick will be considering a motion later this week dealing with an airport development in northwest New Brunswick, which development is almost entirely within federal jurisdiction, would the minister now inform the House of recent developments and plans by his department to build an airport at Saint Léonard, New Brunswick, with jet capability?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I appreciate being given responsibility for the main part of the judgment in relation to this airport, though I would see also a certain involvement for both the province and the Department of Regional Economic Expansion in this connection. However, I can tell the hon. member that following the very strong representations that I have received from him and other members of this House from northern New Brunswick, I have been re-examining the position of the Saint Léonard airport and have asked my department to put before me a possible plan from which I can attempt to sort out the terms of funding, either by ourselves or with the co-operation of the other agencies to which I have referred.

HAMILTON—DECISION ON FUNDS FOR UPGRADING AREA FACILITIES

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a supplementary question for the minister. In view of his interest in airports, may I ask the minister whether in fact the government is still committed to $25

million with respect to the upgrading of airports in the Hamilton area, or has restraint allowed the government to have second thoughts? This matter is a little fuzzy back in Hamilton.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, we are still committed to providing adequate service in the Hamilton area and would want to do that as soon as we can reach some conclusions about the forward look of their airport services in that area. There is at the present time a committee, including a strong community involvement, determining such issues as the location and the timing of an airport, and obviously we need that kind of input before making a final decision. But certainly it is our intention to offer improved airport service to the Hamilton area.

Mr. Alexander: A supplementary question, Mr. Speaker. I appreciate the answer that the minister gave but I specifically asked him about the $25 million which was offered by his counterpart some two or three years ago. I am asking the minister now whether the commitment of $25 million still stands, in light of the fact that inflation could have some bearing? I just want a yes or no, I do not want a long answer as to what the minister intends to do in certain circumstances. Is there a commitment?

● (1440)

Mr. Lang: Mr. Speaker, I hope he will accept this slightly longer answer. The amount involved is probably higher than that.

Mr. Alexander: That is great.

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FISHERIES

CANADIAN POSITION ON ICNAF AFTER DECLARATION OF 200-MILE LIMIT

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Minister of State (Fisheries). In view of the fact that Canada's fisheries resources are constantly declining, while at the same time Ottawa is making bilateral fisheries agreements with foreign countries without knowing the actual amount of existing fish stocks and, I might add, without consultation with the premiers of the provinces concerned, will the minister give an early indication of what the Canadian posture will be concerning the future of ICNAF after we secure the 200-mile fishing limit?

Hon. Roméo LeBlanc (Minister of State (Fisheries)): Mr. Speaker, we have made it clear that the regulations will be consistent with the regulations that would normally apply to a coastal state for the coming year, that is 1977. As to the statement by the hon. member about bilateral treaties, I wish he would read those treaties very carefully. They make it clear that the allowable catch would be fixed by Canada and not by an international organization. They make it clear that Canada would have its needs completely satisfied in relation to conservation measures, and that surpluses will be allocated by Canada to foreign fishing fleets. We are trading away nothing. To the contrary, we are claiming what will be ours within that zone.

AIRPORTS

CALGARY—DATE OF COMPLETION OF FACILITIES—POSSIBILITY OF CHANGE IN PLANS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, in light of the fact the Minister of Finance has talked about an expansion in exploration and development of natural gas, and in light of the fact that over 2 million people visit southern Alberta as tourists, will the Minister of Transport now tell us, and he has been promising this since 1965, that the air depot in Calgary will be completed for use? I would point out that at the present time there is still a question about sanitation and working conditions at that depot.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, regarding the more detailed and different phases of construction at Calgary I will be glad to report to the hon. member. There is, of course, a massive amount of construction going on there which I think is on schedule, but I will be glad to look at the schedule of the particular items to which he refers.

Mr. Woolliams: Mr. Speaker, while he is checking that perhaps he might look to see whether the original plans have been scrapped because the facilities have now been found to be too small, requiring a redrafting and complete change of the whole plan? Will he check that out also?

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PENSIONS

POSSIBILITY OF DEFERRED PAYMENTS INTO SUPERANNUATION ACCOUNT

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is to the President of the Treasury Board. I believe at the end of the question period last Friday the minister had the answer to the question I asked earlier during that question period and also on Wednesday last.

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Yes, Mr. Speaker, following the questions asked by the hon. member for Edmonton West on May 26 and 28, I checked, and all the payments have been made by the treasury. We have met all our obligations as far as the pension funds mentioned by the hon. member are concerned, and I have made a check for the previous years. The last time a government did not meet their obligations for pension funds was under the Conservative administration, in 1958 and in 1962.

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[*English*]

ENERGY

GOVERNMENT ACTION TO ENSURE PURCHASERS THAT AUTOMOBILES WILL PRODUCE ADVERTISED GASOLINE MILEAGE

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, now that the Minister of Energy, Mines and Resources has demonstrated his intention to clobber the automobile owner through taxation, and particularly those with large

families who must possess larger cars, what steps does he or the Minister of Consumer and Corporate Affairs intend to take against the automobile industry to ensure that a customer is guaranteed at the time of purchase that a particular vehicle will produce a certain mileage per gallon? What protection does the purchaser get if it does not perform, or is the automotive industry too big to tackle?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I have made it clear that the automobile industry will be required to label all new automobiles; that is, to say 1977 models, as to mileage standards.

POSSIBILITY OF CONSERVING GASOLINE BY DISCONNECTING EMISSION CONTROL DEVICES

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, since the minister indicates he is interested in the conservation of energy, is there any intention to conserve further energy by allowing the owners of vehicles operating in sparsely populated areas the right to disconnect emission control devices which also increase consumption of gasoline by 15 per cent to 20 per cent, or is this just a revenue producing exercise rather than an energy conserving one?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I know of no proposal to remove the emission control standards the government has imposed. They have been imposed for very important reasons, namely, to support and protect the environment.

INQUIRY AS TO PLANS FOR PRODUCTION AND DISTRIBUTION OF ELECTRICITY IN ATLANTIC PROVINCES

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, has the Minister of Energy, Mines and Resources developed any master plan for the most efficient production, transmission and distribution of electric power in the Atlantic provinces? Does he have a system of incentives to encourage the provincial governments to follow such a plan and, if so, what are those incentives and where is this plan?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, there are a series of incentives already in place, as I think the hon. member knows, including studies and inter-regional connections and plans of that kind. I hope to meet with the premiers of the Maritime provinces within about ten days' time to discuss with them an over-all approach, which perhaps might be described as the Atlantic-Canada approach, to problems of electrical generation and transmission. I very much hope it will be possible to work out a plan with them to deal on a long term basis with their indigenous resources and their transmission.

[Mr. Korchinski.]

HEALTH

REQUEST FOR INCREASED FUNDS FOR MEDICAL RESEARCH—EFFECTS OF REDUCTION IN FUNDS ON HEALTH PROGRAMS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, in view of the devastating effects the freeze on the Medical Research Council budget has had on research in this country, and in view of the fact that the addition of $2 million covers only about one-third of what is required to bring research up to last year's level, will the Minister of National Health and Welfare reassess his ill-considered decision, and increase the budget by the $4.6 million which will be required to bring the activity up to last year's level?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, contrary to the hon. member's assertion, the budget for medical research has not been frozen, it has increased by $3.4 million over last year.

[*English*]

Mr. Yewchuk: Mr. Speaker, I wonder if the minister could clarify for the House and the country whether he feels that freezing the budget, or, if he insists, raising it by $1 million this year, will in the long run save money in health expenditures throughout the country?

[*Translation*]

Mr. Lalonde: Mr. Speaker, it is impossible for me to answer the hon. member's question since I have just said that, contrary to what he said, the budget for medical research has not been frozen.

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[*English*]

NORTHERN AFFAIRS

POSSIBILITY OF SETTLEMENT OF NATIVE LAND CLAIMS IN YUKON

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, in view of the absence of the Minister of Indian Affairs and Northern Development I will direct my question to the Acting Prime Minister. In light of speculation over the weekend, could the Acting Prime Minister confirm whether a settlement of the native land claims in the Yukon has indeed been reached and, if so, what are the terms of the settlement?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I think this question should be answered by the minister on his return.

Mr. Nystrom: Mr. Speaker, in view of the fact a draft agreement has been submitted to Cabinet, can the Acting Prime Minister tell the House when the Cabinet hopes to reach a settlement?

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, in view of the fact that both negotiators requested an extension of time we do not as yet have the date the hon. member requests. The speed of negotiations has been somewhat slower than anticipated, but I believe

some action will be forthcoming within the foreseeable future.

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TRANSPORT

POSSIBLE TERMINATION OF ASSISTANCE WITH FREIGHT COST ON FEED GRAIN FOR MARITIMES AND EASTERN QUEBEC

Hon. J. A. MacLean (Malpeque): Mr. Speaker, will the Minister of Transport assure the House and the country that it is not the intention of the government in the near future to terminate freight assistance on feed grains going to the Maritimes and the province of Quebec?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, it has always been known to hon. members that our policy on feed grain contemplated a retention of feed freight assistance into the Atlantic area and eastern region of Quebec. As to a termination in respect of the major feed consuming areas of the country, an announcement on this subject is expected very soon. Indeed, there will be discussions on this subject this evening.

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● (1450)

COMMUNICATIONS

POSSIBILITY OF ANNOUNCEMENT OF POLICY ON PAY TELEVISION

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Minister of Communications, and I should like to welcome the lady back from her travels. Is she going to be making an announcement this week, either in the House or at a meeting in Toronto, on the policy of the government regarding pay television?

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, indeed I am scheduled to make a speech on Wednesday to discuss the problem of pay television, as well as other problems relevant to the meeting which will take place in Toronto.

Mr. Nowlan: I am not trying to anticipate the lady minister's speech, but will it be a statement of firm policy or will it be a statement inviting those interested in this very complex question to submit briefs either to the minister or CRTC?

Mrs. Sauvé: I think the hon. member can wait until Wednesday when he will find out.

Mr. Nowlan: It better be in the House if it is policy.

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ENERGY

DISPUTE BETWEEN NEWFOUNDLAND AND QUEBEC OVER CHURCHILL FALLS POWER—ACTION OF MINISTER

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. The minister indicated earlier that he would be meeting with the Atlantic ministers on energy problems. In view of the fact that tonight is the deadline in the dispute between Newfoundland and Quebec, would the minister indicate whether he will meet with the two ministers from Quebec and Newfoundland before that deadline to resolve the problems existing with the Churchill Falls power?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, if the question is whether I am going to meet the ministers of the two provinces before the deadline tonight, the answer is no.

Mr. Marshall: Mr. Speaker, I certainly could not expect the minister to meet with them today, but have representations not been made to the minister on behalf of either Quebec or Newfoundland asking the minister to enter into the dispute to try to resolve the problems which exist?

Mr. Gillespie: There has been no formal communication to me asking me to intervene in any way or arbitrate the dispute. There has been some indication that the over-all plan might be the kind of approach they would like to discuss. But I go on to say that such indications are very tentative and I would not want to raise expectations unduly with respect to that.

Mr. Marshall: Could the minister indicate what is the latest progress with regard to the National Energy Board and its relationship to the holding of power by the province of Quebec on the granting of export permits?

Mr. Gillespie: Those areas are to be discussed in hearings about to get under way before the National Energy Board.

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TRADE

VIEW OF MINISTER ON DESIGNATING EGG MARKETING AGENCY AS RECEIVER OF IMPORTS

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. In view of the fact that recent answers in the House by the Minister of Agriculture and the Minister of Consumer and Corporate Affairs have disclosed diametrically opposite positions between the two ministers with respect to the designation of CEMA as the receiver of imported eggs, and in view of the fact that in reply to a recent question by the hon. member for Huron-Middlesex the Prime Minister indicated that it was the Minister of Industry, Trade and Commerce who had this responsibility, is the minister now in a position to cast the deciding vote and, we hope, break up this deadlock which apparently exists?

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, without acknowledging the premise of the question, I must confess I do not relish the idea of having to cast the deciding vote between the Minister of Agriculture and the Minister of Consumer and Corporate Affairs. Let me put it this way: I will try to make as constructive a contribution to the discussion as possible.

Some hon. Members: Oh, oh!

Mr. Clark: Maybe you could blame James Richardson.

Mr. Jarvis: In order to determine how constructive the minister is or will be, could he tell us what his position is? Is he in favour of designating CEMA as the sole receiver of imported eggs or does he support the Minister of Consumer and Corporate Affairs who prefers to leave that to the private sector? Can we have the minister's opinion?

Mr. Jamieson: That is the kind of constructive opinion I am going to express to my colleagues.

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ANTI-INFLATION BOARD

RELATIONSHIP OF RULING ON WAGE INCREASES AT THOMPSON, MANITOBA TO WAGE SETTLEMENT AT SUDBURY

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a question for the Minister of Finance. In view of the strike by the mine workers now set for tomorrow at Thompson, Manitoba in rejection of the AIB ruling on wage increases, can the minister tell the House whether the AIB ruling on wage increases was in line with the wage settlement at Sudbury which is the historical relationship that is used in the nickel mine industry?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I could refer the hon. gentleman to the decision of the Anti-Inflation Board in this regard and he will note their conclusion that the historical relationship between the Thompson local and the one at Sudbury has been made quite clear to support the ruling. I quote: "Although a strong historical relationship with another group of INCO employees at Sudbury has been clearly demonstrated, it is not the intention of the restraint objectives of the program to permit the complete restoration of that relationship by approval of the settlement as negotiated." As the hon. member knows, in light of the additional facts the board did make some adjustments in the limits that it had set for this and subsequent years of the contract, but it felt that the amount as negotiated could not be accommodated within the over-all guidelines.

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NATIONAL DEFENCE

LOCKHEED CONTRACT—POSSIBILITY MINISTER WILL MAKE STATEMENT ON ALLEGATIONS OF NEGLIGENCE BY STAFF

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question to the Parliamentary Secretary to the Minister of National Defence in the absence of the minister. Is it anticipated that the Minister of National Defence will be issuing some sort of clarifying statement in the House in view of the rather alarming new doctrine that has crept into our usage in that the Minister of Supply and Services has castigated senior members of the armed forces for alleged negligence in so far as the LRPA contract is concerned. Will the Minister of National Defence come to the support of his staff?

[Mr. Jamieson.]

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, may I point out for the information of the House that today my minister is at the Royal Military College attending the convocation and anniversary celebrations there.

An hon. Member: Is he that old?

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, there are other people in the House who could join the class if that were the case.

In answer to the hon. member's question, I would commend for his reading the report of the Standing Committee on External Affairs and National Defence of last Thursday. I think he will find the answer to his question in that report.

Some hon. Members: Hear, hear!

* * *

PENITENTIARIES

MILLHAVEN—DATE OF PUBLICATION OF HANSEN REPORT ON BEATINGS—POSSIBILITY OF ACTION AGAINST GUARDS

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, my question is for the Solicitor General. When does the minister intend to table the Hansen report on the Millhaven gassings and beatings, and has the Hansen report gone to the Attorney General of Ontario, and, if so, has he replied to it in terms of criminal charges being laid against any of those involved?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I have not yet received the report on the Millhaven gassings and beatings. I am meeting with Miss Hansen tomorrow to discuss the report and receive it from her.

Mr. Hnatyshyn: In March the Solicitor General asked the Canadian penitentiary service to look into the continued employment of some guards in the segregation unit of Millhaven penitentiary. Apparently the same guards who administered tear gas in the November incident were still working in the unit. I assume that this study has been completed. Will the Solicitor General tell the House what the results of the investigation are?

Mr. Allmand: It has not, Mr. Speaker. Officials of the penitentiary service and I have been waiting for the report from Miss Hansen on the gasing situation. Once we have that report and have examined it, we will decide what disciplinary action must be taken. During the investigation itself some of the guards had been removed from Millhaven to other institutions, but now the inquiry is over they are back as a result of an appeal they made through the union, I believe. But we will have to examine the report before taking further action.

HEALTH

LEVEL OF POLYCHLORINATED BIPHENYLS IN GREAT LAKES—REASON FOR DELAY IN GOVERNMENT ACTION

Mr. Gus Mitges (Grey-Simcoe): My question is for the Minister of National Health and Welfare. In view of the fact that polychlorinated biphenyls have been found in the Great Lakes to be eight times higher than the permitted level of two parts per million, with the result that all fish now caught in the Great Lakes are highly contaminated and people eating these fish also become contaminated with a deleterious and toxic substance that is both cumulative and remains in the body indefinitely, I should like to ask the minister what immediate steps he is contemplating to counteract this serious human health problem?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, this matter is being discussed jointly with my colleague, the Minister of the Environment. I would be pleased to consider the question and give hon. members an answer on the first occasion.

● (1500)

[*English*]

Mr. Mitges: In view of the fact that the danger in the Great Lakes has been known to exist for some ten years now, why has no action been taken before now not only to make the facts known to the public, but also to take the necessary steps to stop this dangerous pollutant from entering the lakes before it became the danger to human health which it certainly is now?

Mr. Lalonde: I would first of all ask the hon. member if he has known about it for ten years, why has he not brought it to our attention before now? Secondly, it should be realized that this situation is mainly the responsibility of the government of Ontario, which has responsibility for the plants.

Mr. Speaker: Order, please. On Friday last the hon. member for Annapolis Valley raised a point of order in which he was supported by the hon. member for Grenville-Carleton. There was a brief response by the Minister of Supply and Services. The point of order concerned a reply of the minister to which reference was made in a question today by the hon. member for Fundy-Royal and whether that reply in any way attacked the rather fundamental doctrine of ministerial responsibility and the importance of that doctrine to the practices of this House.

I want to re-emphasize, if it needs re-emphasizing, the importance of that doctrine to the practices of the House. The question was not concerned with the sanctity of that doctrine but only whether the kind of reply which was given at that time constituted disorder in the House or a matter of procedure in so far as the Chair was concerned.

In re-examining all that was said at that time, I have come to the conclusion that no question of disorder exists with respect to the reply made by the minister on Friday. That is not to say that that is any reflection on the importance of the doctrine, nor is it to say that the matter is closed, because obviously, by the question of the hon.

member for Fundy-Royal further questions may be put to either or both ministers involved.

If in fact there is any threat to that doctrine in the answers and the performance or attitude of the ministers, there may be other remedies. I doubt very much if they are procedural remedies, but there may be substantive remedies which would have an effect on that area, and only on the elicitation of further information might those remedies be tried. The only decision to be made is: As a result of the answer of last Friday, was there disorder created by that answer? The conclusion I have come to is no, and I think I ought to report that to the House at this moment, again subject to whatever further information may come to light or to whatever other remedies exist.

Mr. Baker (Grenville-Carleton): Mr. Speaker, naturally, I am not disputing what you have said. I was almost halfway to my feet when you rose to give your ruling, to suggest that it might be appropriate if the matter could be held in abeyance until the Minister of National Defence could be present. According to your ruling perhaps this matter does not involve a disorder in the House, but it certainly does involve a very important principle with respect to the relationship of the government to the people of Canada, its responsibility to the people of Canada and its relationship of the public service of this country, whether armed or otherwise, to the government. It may well be that in another context, when the Minister of National Defence is here, the matter will be raised again. I felt I should mention that.

ROUTINE PROCEEDINGS

[*English*]

BUSINESS OF THE HOUSE

ITEMS TO BE DEALT WITH PRIOR TO SUMMER ADJOURNMENT

Mr. Baker (Grenville-Carleton): Mr. Speaker, I wonder if the government House leader is prepared today to give a definitive statement—I use that word advisedly—with respect to the business the government proposes to deal with to the extent that the government intends to deal with it prior to the adjournment of this House, whenever that adjournment might occur.

Mr. Speaker: Before hearing the President of the Privy Council on what is a separate point of order, I notice that the Minister of Supply and Services was seeking to make an intervention with respect to the previous point. I think I have clearly ruled in respect of Friday. There may be other questions to the minister and other questions to the Minister of National Defence, and certainly there is every indication that there will in fact be such questions, and on the basis of whatever information may come forward, other arguments might be made. My only decision to make was whether a point of order had arisen and whether there had been disorder on Friday. I decided I did not need to hear further interventions unless further information came to light at this time.

[*Translation*]

Mr. Goyer: Mr. Speaker, I would not want that my remarks be considered as being against your decision. Of course I accept your ruling, but you referred to a question put by the hon. member for Fundy-Royal (Mr. Fairweather) and I would simply like to draw the attention of my hon. colleagues to this so they might consider more in detail two answers given by the Minister of National Defence (Mr. Richardson), the first on March 30, 1976, as recorded in *Hansard*, page—12,265 . . .

[*English*]

Mr. Speaker: Order, please. With all due respect, the minister is simply enlarging on the answer he made today, and I cannot permit that unless I am prepared to permit further questions.

Mr. Sharp: Mr. Speaker, in response to the question put by my hon. friend, the House leader of the official opposition who gave me notice he was going to put this question to me today, it is the government's desire, and I believe it is the desire of hon. members generally, to adjourn not later than June 30.

Some hon. Members: Hear, hear!

Mr. Sharp: For that purpose, we have deliberately decided not to proceed with certain items on the order paper at this session, and we have proposed an extension of hours of sitting so that the remaining urgent business can be disposed of without an undesirable curtailment of debate. The items which remain on the urgent list are the following: Bill C-68, which is now at third reading; Bill C-81, which is now at report stage; Bill C-84, which is now being debated at second reading; Bill C-87, debate on which has not yet begun; Bill C-88, which is now at report stage; and Bill S-35, which is now before a standing committee.

These six items, all except one of which has already been the subject of extensive debate, plus the budget resolutions and supply, constitute the government's program before adjournment. Unless some emergency arises, the government has no other items which it considers essential to be disposed of before the adjournment. The parties may, of course, be ready to agree on the approval of minor housekeeping matters such as motions Nos. 33 and 34 under government business.

Let me add a word or two about Bill C-83, which is now before the standing committee. It is desirable that progress be made in dealing with this piece of legislation, and the government will be proposing amendments resulting from public representations which will, we hope, be helpful in ensuring its approval. The government, however, will not keep the House in session for the purpose of advancing this bill. If the standing committee has not reported by the time of adjournment, it may of course decide to sit during the recess. I shall be discussing with the other parties an agreement to take up the bill in the new session at the stage which is reached at the time of prorogation of the present session. To be as precise as I can be, the government will propose the adjournment of the House when the six items to which I have referred, plus the budget resolutions and supply, have been disposed of, whether that happens before or after June 30, except for the usual provision by which Mr. Speaker could call the House back for royal assent.

[Mr. Speaker.]

Mr. Speaker, seventy speakers have taken part in the debate on Bill C-84. I am informed that there is still a long list of speakers who wish to be heard. I have proposed to the House leaders an extension of hours for the purpose of that debate only, two additional hours in the mornings on Tuesdays and Thursdays, and the temporary suspension of private members' hour.

May I also remind those who may be concerned about the timing of the vote on second reading that the House has already approved an order which avoids a quick, unexpected vote. The timing of the vote will be decided by the House leaders within a week after the end of the debate, so that those who are absent from Ottawa can get here for the occasion.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I say that we welcome the statement the minister has given us, and we hope that the necessary arrangements can be made so that the recess can begin not later than the end of June. I should like to say, once again, that toward that end we will be prepared to agree to the extra hours of sitting which the minister has proposed, although the proposal is that the extra hours of sitting are for that bill only.

● (1510)

However, I should like to register my objection to one little trick the government has employed. The minister says all he wants is those six bills, the budget resolutions—obviously not the bills—and supply. Supply includes, presumably, the supplementary estimate that was tabled the other day. I object very much to this tricky way to get the House to decide, without any time to debate it, a matter which some of us are opposed to in any case and which certainly should be the subject of legislation. The government is using a supplementary estimate to get at something that is difficult to get through parliament, like a state lottery. If they can do that, they could have done that for capital punishment or anything.

An hon. Member: They did not even bring in a supplementary estimate for capital punishment!

Mr. Knowles (Winnipeg North Centre): They may just do it. I object to what I call a tricky way of dealing with this matter of a national lottery.

[*Translation*]

Mr. Caouette (Villeneuve): Mr. Speaker, about the same question put to the President of the Privy Council, I would like to tell the House that at our caucus meeting held last week, we did consider at length the possibility of extending the hours to debate Bill C-84 and we thought it proper to voice our opposition to longer sittings because Canadians are against the adoption of this bill.

So the Social Credit Party will not endorse any extension of the sittings of the House.

AGRICULTURE

Sixteenth report of Standing Committee on Agriculture, in both official languages—Mr. Bussières.

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

* * *

[*English*]

PUBLIC SERVICE

RECOMMENDATIONS OF FINKELMAN REPORT

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, just over three years ago the chairman of the Public Service Staff Relations Board, Mr. Jacob Finkelman, was asked by the government:

—to examine the Public Service Staff Relations Act and its administration and to make recommendations, having regard to the experience gained since that act came into force, as to how it should be amended or revised in order to meet adequately the needs of the employer and the employees in the public service and the employee organizations that represent them, and to serve the interest of the public.

This undertaking was given the full support of both government and opposition parties of this House, as well as that of the employee associations of the public service. The confidence in Mr. Finkelman which was expressed at that time was demonstrated to have been well placed when, about a year later, the results of his exhaustive study were tabled. I think it is a tribute to Mr. Finkelman, who is now coming to the end of his distinguished public service career, that this confidence should have been expressed in such a concrete way.

Some hon. Members: Hear, hear!

Mr. Sharp: In recognition of the importance of the questions raised in Mr. Finkelman's report and of the many far-reaching recommendations which he made—I recall they totalled some 230 specific recommendations—the report was given very careful examination by the Joint Committee on Employer-Employee Relations in the Public Service. The joint committee involved a variety of interested parties in its deliberations, including—and I quote from its report:

Bargaining agents representing employees in the public service of Canada; unions representing views outside the public service of Canada; the Treasury Board secretariat representing the government as employer; employer groups in the private sector; the chairman of the Public Service Staff Relations Board and the chairman of the Public Service Commission; personnel and labour relations specialists; university professors; and interested individuals.

Mr. Speaker, I am aware that many people, and particularly some of those who, through interest or vocation, are closely associated with public service employer-employee relations matters, have from time to time expressed impatience at the length of time the review of the legislation covering collective bargaining in the federal public service has taken. I have shared this concern. I can only say, however, Mr. Speaker, that it is better to take the time if that time is necessary to ensure that the action proposed is the wisest and best course to follow.

The joint committee issued its report in February of this year, and since that time the government has been actively

studying its conclusions and its recommendations, as well as going over again those proposals of Mr. Finkelman which were not touched on in the committee's report. All of this work is being conducted in light of the extensive hearings of the committee and of the many discussions which have been held informally over the past several years between government officials and representatives of the interested parties. The issues are extremely complex and the factors and considerations which must be taken account of are numerous, interacting, frequently subtle, and sometimes conflicting. In view of the time already spent in laying the foundation for definitive proposals to be put to the House by the government, I am sure, Mr. Speaker, that members would not want the government to table prematurely, hastily prepared and inadequately considered legislation.

In any case, the legislative calendar for the session we are now engaged in is already very full. We have heard some protests on the six items that I thought constituted very limited scope for the rest of the session. You will not disagree with me I am sure, Mr. Speaker, that we are in a rather congested state as far as the rest of the session is concerned. The government intends, therefore, to complete its internal deliberations relating to public service collective bargaining as quickly as possible, and to introduce legislation in the next session of parliament which, hopefully, will begin in the fall.

With regard to the Public Service Employment Act, the joint committee recommended that the Public Service Commission, after consultation with the bargaining agents and the employer, develop proposals for early revision of the act and that a task force be set up to undertake a longer term and more fundamental review of the role of the commission. The consultations relating to early revisions have been completed and the commission's proposals are now being considered by the government. The related amendments to the Public Service Employment Act will be introduced in the next session, probably at the same time as new legislation covering the Public Service Staff Relations Act.

Mr. Speaker, the government will also, as part of its ongoing examination of government management and organization, be looking into the more fundamental and far-reaching questions which prompted the joint committee's recommendations for a special task force to study the role of the Public Service Commission in relation to employer-employee relations matters. The government is sympathetic to the concerns which underlie these questions and will ensure that they are examined.

Initially, an interagency task force including representatives from the Privy Council office, the Public Service Commission, the Public Service Staff Relations Board, the Treasury Board secretariat, and the Department of Labour is being set up with terms of reference authorizing it to examine the principles and practices relating to appointment, staffing and training in the public service and to make recommendations for changes calculated to serve the interests of the public, to contribute to the over-all improvement of the public service and to foster good employer-employee relations. Such a task force will obviously need to consult extensively with all interested bodies, with special emphasis on the many and varied

employee associations. I trust that the task force will undertake its work as expeditiously as possible, and barring unforeseen difficulties that the government will be able to report on its results during the next session of parliament.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, in accordance with tradition, I wish to thank the President of the Privy Council (Mr. Sharp) for supplying us with a copy of his statement in advance—by 20 minutes—of this sitting. Having read the report, I wonder why it was not possible to give it to us last Friday so that we could have looked it over, or why it was not given to us today and the statement made tomorrow.

Aside from that rather mild admonition, speaking on behalf of this party I should like to say that we welcome this long-awaited declaration, even while we confess to some dismay that it contains little more than another indication of governmental delay. At least now we have some sort of timetable, if only in the form of a promissory note. The government has produced a timetable, and that is about all. It intends to proceed in accordance with the priorities of its own program. That is about all the statement says.

● (1520)

[*Translation*]

At the beginning of his statement, the President of the Privy Council stated specifically that three years ago the government had asked the chairman of the Public Service Staff Relations Board to review present legislation on public service staff relations and its administration, with a view to making recommendations on how to improve the public service generally to better meet public interests.

That was over three years ago, Mr. Speaker, and we have just learned, with the excuses to which we have become accustomed, that for the time being the government does not want to formulate final proposals in that regard.

[*English*]

Three years ago the government asked for an examination of this question and for recommendations. On November 13, 1974, a joint committee of this House and the other place met to study the proposals put forward by the chairman of the Public Service Staff Relations Board. That examination was carried out most fully. On behalf of my party, may I associate myself with the high words of commendation describing the work performed by the chairman of the Public Service Staff Relations Board, Mr. Finkelman.

After innumerable meetings and after hearing the evidence of interested parties, the special joint committee produced a detailed report of its findings and made recommendations relating to a variety of employer-employee relations aspects in the public service, including such matters as the right to strike, managerial exclusions, designated personnel, the entire bargaining process, and so on. In February of this year the report was tabled. It included 72 recommendations or resolutions.

The government all along was aware of the proceedings of the special joint committee and could have formulated detailed guidelines to cover each of the important sectors being considered by the committee. I suggest that at the very least the government should now have brought forward a series of broad proposals outlining the areas with which the legislation will deal when it comes forward. It would not have been necessary to put these proposals in legislative form, but they could have outlined areas with which the legislation would deal and explained omissions in the legislation of areas covered by the committee. For example, each of the 72 recommendations could have been reviewed, and in an appropriate space opposite each recommendation the government could have said, "Yes, we will accept this," or "No, we will not accept this", or "We will look into this particular matter", or "We find that it will be impossible to change this particular matter."

As matters now stand, we have nothing but another promise to consider, a not unusual performance. If the kind of broad propositions to which I have alluded had been put forward, we might have had the opportunity during the summer to elicit reactions of interested parties. Without doubt, the government will expect us to rush the legislation through whenever it chooses to bring it before the House. I assure the government, and the President of the Privy Council (Mr. Sharp), that my party considers the proposed legislation so important and so serious that it does not intend to be rushed in its deliberations, but looks forward to fair and extensive consultation.

[*Translation*]

The special committee has also made recommendations on legislation governing employment in the public service, and in particular the part the commission must play. According to the government, final proposals with regard to that aspect of the report will also be postponed; we hope, for our part, that they will not be put off indefinitely. We are therefore awaiting with some impatience the two bills to be introduced by the government in this regard. Those two bills, once introduced, should enable us to solve the many problems posed by present legislation.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, since the House of Commons changed the rules and provided for a more appropriate response to statements of ministers, the government has made fewer statements than it used to, largely, I suppose, because it does not want to submit to an extra question period. Despite the admonition the hon. member for Esquimalt-Saanich (Mr. Munro) directed to the President of the Privy Council for not having given us copies of his statement earlier than he did, I wonder why he bothered to make the statement at all. Somebody on the government side could have asked the minister something like, "How is the government getting along with the special joint committee's recommendations?" And the minister could have said, "We are not ready yet, but we hope to be ready in the fall."

Mr. Munro (Esquimalt-Saanich): The government wants headlines.

Mr. Knowles (Winnipeg North Centre): Really, that is all the statement says.

Mr. Reid: The question could have been planted on the opposition side.

Mr. Knowles (Winnipeg North Centre): On this side of the House planting is more difficult than it is on the other side. The statement says that the government has studied the report; it noted that the committee wants revisions made in the Public Service Staff Relations Act, that it wants a study made of the Public Service Employment Act, and that it wants the appointment of a task force. The minister now says, "We are making the first study, but we have not yet got the new bill. We hope to have it in the fall. We are carrying out the second suggestion and have had a study made of the Public Service Employment Act, but are not yet ready to introduce a bill. As for the proposed task force, one is being set up, and in the fall we hope to have a report." I do not know why the minister employed the device of the ministerial statement to put so little before the House. Perhaps he wanted to indulge in the following choice comment when he said:

I am sure, Mr. Speaker, that members would not want the government to table prematurely hastily prepared and inadequately considered legislation.

You know, that sort of thing happens so often around here that I am surprised the minister would bother to say that. I suppose, as the hon. member who spoke on behalf of the Conservative party said, we now at least have a kind of timetable, a promissory note for legislation in the fall. The minister did not say which fall; I presume he meant the fall of 1976.

Sir, having said that the statement is hardly worth all this fuss, I had better be brief, and I shall be. I warn the minister and the government that the adoption of the report by the special joint committee was not unanimous. Some of us feel strongly that suggestions in the report give the government too much of a green light to go too far in terms of imposing excessive fines on union members and unions, in terms of other restrictions, enlarging the areas of designation, enlarging managerial exclusions, and so on. If the government is really concerned about good employer-employee relations, I urge it to look at the good things in the report but to beware of some of the pitfalls in it.

In the latter part of his statement, the minister said that one of the aims of the government is to foster good employer-employee relations. May I draw one item to his attention, after which I shall conclude. The matter has come to rest in the Privy Council office. I refer to a document called a "Personal history form" which many public servants are called upon to complete as part of a security check. It is being used widely in the Department of National Revenue and in other departments as well. The form has all the earmarks of a witch-hunt. One of the questions public servants are asked to answer is, "Where was your mother-in-law born?" What possible connection can that have with a public servant's right to a promotion?

● (1530)

I mention this today because I have been working on it, without bringing it to the floor of the House, for a couple of years. I have been in correspondence with the former chairman of the Public Service Commission. However, only recently I was told that matters have bogged down and that I had better write to an official in the Privy Council office. I did so and received a courteous reply from the official. But the writer of that reply could not tell me when something would be done about this, despite the many protests. I give the minister that assignment to work on since it is now in the Privy Council office. If he wants to have good employer-employee relations, he should not be asking public service employees, before they can get certain promotions, the birth place of one's mother-in law.

I said that we need to take much time on this, so I better not take any more. I am glad we shall get some action in the fall. I hope it will be the fall of 1976, and I hope the government will pay attention to some of the comments being made today.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, it is rather surprising to note that the President of the Privy Council (Mr. Sharp) stated in the House today that the government is prepared to introduce measures or make recommendations about its relations with the civil service as early as next autumn.

Mr. Speaker, the President of the Privy Council has just said to the House that more than three years ago the government gave to Public Service Staff Relations Board Chairman Jacob Finkelman a mandate to study the relations between the federal government and the civil service. Now, the minister says that a year later the chairman did report the results of his thorough study. This means that for over two years the government has been well acquainted with the recommendations of that committee appointed by the government to consider relations between the government and the civil service.

It is hoped the President of the Privy Council (Mr. Sharp) will keep his promise and bring forward next fall legislation or recommendations in the field of relations between the public service and government. One thing I wish is that we would not see on the federal level the mess we are seeing in Quebec in the relations between the public service, that is the public and quasi-public employees and the government. There has been friction for too many years already at the expense of the taxpayer who must pay for both sides, for both the employees and the employer, because it must be owned that the federal government today is the employer who levies the highest taxes in Canada, the most labour intensive industry. The same can be said for the provincial level in Quebec as well as in Ontario.

Yet we hear those public servants yelling: "Higher pay, higher pay!". They do not realize that they are not paid from the profits of a business, but from the taxes of Canadians.

When they yell rightly or wrongly: "Higher pay!", they should display at the same time cards which read: "We want more and higher taxes, so as to get higher wages". I am sure, Mr. Speaker, that we will not see that here in Canada from the government, the unions nor the public service. Let us hope that as soon as the parliamentary business will resume, the government will bring forward specific legislation to foster understanding and cooperation between the public service and itself.

[*English*]

Mr. Speaker: Order, please. As this is a report indicating action in the future, and as it is a subject that has been studied rather extensively in committee, in exercising the discretion given to me under the rules I do not believe it

appropriate to proceed to questions unless the situation is such that by disallowing questions at this time I am catching hon. members by surprise. Bearing that in mind, and the nature of the report that has been the subject of comment today, it appears the action is indicated for the future when there will be a more appropriate time for questions and comments from all sides of the House.

Mr. Sharp: Mr. Speaker, I rise on a point of order. There has been some discussion among the House leaders and representatives of the parties about a special kind of procedure tonight at eight o'clock when the Minister of Transport and the Minister of Agriculture will wish to make statements on the same subject. Therefore, I would like to seek unanimous consent that the House shall revert to routine proceedings at 8 p.m. tonight in order to permit the Minister of Agriculture and the Minister of Transport, who is also responsible for the Canadian Wheat Board, to make statements. The Minister of Agriculture will speak first, followed immediately by the Minister of Transport. This will be followed by spokesmen for each of the opposition parties. Both ministers will then be available for questions.

Mr. Baker (Grenville-Carleton): Mr. Speaker, we have had some consultations with respect to this. That procedure is agreeable to us. As the minister was speaking, I was trying to think of problems that might arise with two ministers making statements this evening. There may not be any, aside from the fact that they may be opposed to one another. I do not know about that. In any event, we are agreeable to this procedure. I do not know of any difficulties that will arise, except for a feeling that I have that there may be some. I hope the spirit of the rules will be observed to the greatest extent possible. On that basis, we are prepared to consent. To the extent that he can, I hope that the President of the Privy Council will ensure that the statements are delivered early, since there are two of them.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, we, too, are prepared, as we already indicated, to agree to this procedure. As the hon. member for Grenville-Carleton has stated, a problem could arise, but we cannot tell until the two ministers speak. If they display the lack of cabinet solidarity that we see around this place from time to time, we may have to ask that two speakers from each party be permitted to respond. However, we will not worry about that bridge until we get to it. I simply want to underline the last words of the hon. member for Grenville-Carleton, that when we agreed to this it was on the understanding that copies of both statements would be in the hands of the spokesmen on this side of the House well in advance. I hope this can be done not later than six o'clock.

● (1540)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, we also agreed on this procedure to enable the two ministers to make a statement this evening. As requested by the hon. member for Winnipeg North Centre (Mr. Knowles), we would very much appreciate having a copy of these statements before six o'clock so that we may be able to take part in the debate following the ministers' statements at eight o'clock.

[Mr. Speaker.]

[*English*]

Mr. Speaker: Order, please. Subject only to the rather general misgivings that are harboured, there seems to be agreement that we will depart somewhat from the regular practice and revert to routine proceedings at eight o'clock this evening to permit statements on motions to be made by the Minister of Agriculture and the Minister of Transport, followed by one spokesman from each of the opposition parties, then followed by a question period, again in the discretion of the Chair, when questions can be directed to either, or both, ministers by any questioner. Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 4,014, 5,122, 5,156, 5,214, 5,215, 5,268, 5,312, 5,347, 5,370, 5,407, 5,418, 5,437, 5,442, 5,454 and 5,472.

[*Text*]

KEJIMKUJIK FISH HATCHERY, NOVA SCOTIA

Question No. 4,014—**M. Crouse:**

1. Was a decision made to close down the Kejimkujik Fish Hatchery in Queens County, Nova Scotia and, if so (a) on what date (b) who made it?

2. How many permanent staff members were retained since the retirement of the Hatchery Superintendent in July, 1973?

3. Was the Superintendent replaced and, if so (a) on what date (b) how many permanent staff were employed since the new appointment?

4. Was there a fungus problem affecting the fingerlings at the Hatchery and, if so (a) what was its nature (b) what steps were taken to clean it up (c) what is the name of the man who assessed the depth of the problem?

5. Was the decision to close the Hatchery based on the efficiency ratings since July, 1973?

6. Was the assessment and the fungus problem the reason for closing the Hatchery last July and, if so, for what reason was its closure announced as due to budgetary restrictions?

7. Will the Hatchery remain closed and (a) if so, will the house, buildings, ponds and grounds be sold (b) if not, on what date does the government plan to re-open the Hatchery?

Mr. George Baker (Parliamentary Secretary to Minister of State (Fisheries)): 1. Yes. (a) the announcement of closure was made on July 7, 1975; (b) the Regional Director-General approved closure of the Station which was announced by the officer responsible.

2. The Superintendent went on sick leave in July, 1973. At that time there were two other permanent employees (M. Hill and C. Canning) and two term employees. The Superintendent died following his departure on sick leave. One permanent employee (C. Canning) retired on December 30, 1973, and the second (M. Hill) was transferred to another station.

3. The Superintendent's position was filled on an acting basis on November 1, 1973, by R. Eisner. He was later transferred to the Halifax office. In 1974 there were two permanent employees (A. Stannix and R. Ritcey), the Acting Superintendent and three term employees. In 1975 Mr. Stannix won a promotion to Yarmouth Station and Mr. Ritcey was transferred to Mersey Station in Queens County.

4. (a) Eruptions on the body surface of the hatchery fish at first suggested that the outbreak was fungal in nature. It was later diagnosed by disease specialists as an internal bacterial infection (Pasturella sp.) which causes lesions on the dorsal fin and sides of the body; (b) Initial treatment was the oral applications of antibiotics. After the bacteria was identified and found to be the first outbreak of this bacteria in North America, it was decided to destroy all fish at the Station to prevent the possible spread of the organism, (c) Identification of the bacteria was made by Dr. P. Bullock (Eastern Fish Disease Laboratory, Leetown, U.S.A.) and Dr. W. D. Paterson, Halifax, Fisheries and Marine Service.

5. No.

6. Budgetary restraint was the reason for closing a hatchery. The disease outbreak, the ability to relocate production effectively in the area and the limited staff dislocation were the reasons for selecting Kejimkujik.

7. The Station will remain closed for 1976-77 at least because of current budget restrictions. The Department does not intend to sell or transfer the buildings or the land at this time.

DONATIONS TO SWIMMING POOL AT 24 SUSSEX DRIVE

Question No. 5,155—**Mr. Cossitt:**

Are any businesses, companies, corporations or similar entities who have done, or who are doing business in any way with the government, involved with donations either of money or materials to the swimming pool constructed at the Prime Minister's official residence, 24 Sussex Drive?

Right Hon. P. E. Trudeau (Prime Minister): See reply to question 1,233 answered October 28, 1975.

Question No. 5,156—**Mr. Cossitt:**

Are officials, officers, etc. of any businesses, companies, corporations, or similar entities who have done, or who are doing business in any way with the government, involved with donations either of money or materials to the swimming pool constructed at the Prime Minister's official residence, 24 Sussex Drive?

Right Hon. P. E. Trudeau (Prime Minister): See reply to question 1,233 answered October 28, 1975.

AIR CANADA AIRCRAFT RENTED TO CUBA

Question No. 5,214—**Mr. Cossitt:**

1. How many aircraft have been rented to Cuba by Air Canada and, in each case (a) what type of aircraft (b) how long is the lease and (i) what are its renewal options (ii) does it contain any provisions as to who is responsible for damage to any aircraft while under lease to Cuba (c) by year, what is the (i) rental fee per aircraft (ii) total rental paid per year for all aircraft?

2. How many Cuban personnel have been or will be trained to operate such aircraft by Air Canada and (a) what is the training location (b) what is the total training cost and who is responsible for paying such costs?

3. With reference to the recent mid-air collision near Havana involving an Air Canada DC8 rented to Cuba, what is the estimated total cost of damage to the aircraft and what is a description of the damage (a) who will be paying the full cost of repairs to the aircraft (b) what investigation of the incident has been made and what are the results insofar as responsibility for the accident?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The management of Air Canada advises as follows: 1. Two; (a) Douglas DC-8-43; (b) Two years (b) (i) none (b) (ii) Yes. Cubana Airlines; (c) (i) (ii) The rental fee includes all scheduled and specific unscheduled maintenance and is information which for competitive commercial and other reasons is considered confidential.

2. Eight flight crews and 20 cabin attendants have been trained. Training for flight crews is still in progress; (a) Montreal, with a very limited amount in Havana; (b) Cost of training is considered confidential for competitive commercial and other reasons. Cubana Airlines is responsible for all costs.

3. The aircraft suffered a total construction loss due to damage sustained to the left wing and left wing power plants; (a) Because the aircraft suffered a total construction loss, it will not be repaired. The insurance which is carried by Cubana is payable to Air Canada; (b) the accident investigation is under the jurisdiction of the Cuban authorities because the aircraft is now registered with Cuban nationality. Until the investigation is completed, the results are unknown.

MAINTENANCE OF AIR CANADA AIRCRAFT RENTED TO CUBA

Question No. 5,215—**Mr. Cossitt:**

1. (a) Who is responsible for the maintenance of Air Canada aircraft rented to Cuba (b) in what location is it carried out (c) who pays for it?

2. Are the aircraft restricted by any agreement to operate between Montreal and Havana only and, if not, what other routes are permitted?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The management of Air Canada advises as follows: 1. (a) Air Canada is responsible for all scheduled maintenance and any unscheduled maintenance performed in Canada and Cuban Airlines for all unscheduled maintenance performed outside Canada; (b) Montreal and Havana; (c) Cubana Airlines.

2. Cubana may use the aircraft exclusively in relation to the ordinary and normal conduct of its commercial operations as a civil carrier for passengers, cargo and mail.

MR. GUY D'AVIGNON

Question No. 5,268—**Mr. Cossitt:**

1. Was Mr. Guy D'Avignon, former head of Information Canada, appointed as a Special Advisor to the Privy Council Office and, if so (a) is he receiving a Deputy Minister's salary (b) what is his salary (c) what is a detailed description of his duties (d) what are all the considerations that led to his appointment (e) what qualifications does he have for the job?

2. Were his duties undefined at the time the appointment was made and, if so, what are the reasons justifying the appointment at Deputy Minister rank for undefined duties?

3. Was such appointment used to keep Mr. D'Avignon on the government payroll following abolition of Information Canada?

Right Hon. P. E. Trudeau (Prime Minister): 1 (a), (b), (d) and 3. Mr. D'Avignon was appointed Special Adviser to the Privy Council Office at the salary he had been receiving in the DM-1 range ($41,000—$54,000). The appointment was made to enable the government to continue to use Mr. D'Avignon's services for special tasks until he assumes the position of Chairman of the Anti-Dumping Tribunal on July 1, 1976.

1 (c), (e) and 2. At the time of his appointment Mr. D'Avignon was assigned to assist with the program of information to the public relating to the anti-inflation measures currently being undertaken by the government. There was no detailed description of these duties. Mr. D'Avignon's qualifications for the work derive from his experience as Assistant Deputy Minister of Industry, Trade and Commerce (Administration and Finance) and later as Director of Information Canada.

TRANS-CANADA HIGHWAY

Question No. 5,312—**Mr. Nystrom:**

What was the total government participation in the cost of grading, paving and building interchanges of the construction of a four-lane highway along the Trans-Canada Highway route between Calgary and the Banff National Park east entrance gate?

Hon. C. M. Drury (Minister of Public Works): $13,173,103.84

COST OF ICE FORECASTING PROGRAMME TO TRANSPORT CANADA

Question No. 5,347—**Mr. Forrestall:**

What is the Department of Transport's best estimate of the annual cost for the past two years of maintaining the Ice Forecasting Central Branch of the Department in respect of the ice monitoring in the Gulf of St. Lawrence and the St. Lawrence River?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The Ice Forecasting Programme is administered by the Department of the Environment and is implemented through their Ice Central Office in Ottawa. Transport Canada does not share in the cost of this programme other than for the cost of operating two long range ice reconnaissance aircraft. The Department operates Marine Traffic Centres at Dartmouth and Montreal, and these centres provide ice information and recommended routes to shipping in the Gulf and River of St. Lawrence. The costs to Transport Canada for the operation of these aircraft and centres during the ice navigation seasons in the last two years are as follows: 1974: Aircraft, $1,557,000; Marine Traffic Centres (Ice Operations Portions)—$61,300. 1975: Aircraft, $2,849,250; Marine Traffic Centres (Ice Operations Portion)—$68,500.

ANNA MAE PICTOU AQUASH

Question No. 5,370—**Mr. Fairweather:**

To the knowledge of the government, was Anna Mae Pictou Aquash, a Canadian citizen, killed on or about February 24, 1976 on the Pine Ridge Indian Reservation in South Dakota, USA and, if so (a) was her body mutilated (b) was an inquiry regarding the circumstances surrounding her death requested by Canada and will the results of such inquiry be communicated to her family?

[Mr. Cossitt.]

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): (a) Yes. The Canadian Consulate in Minneapolis, whose territory also includes South Dakota, was informed by United States authorities in Rapid City, South Dakota, that the body of Anne Mae Pictou (Aquash) had been found on February 26, 1976, on the Pine Ridge Indian Reservation in South Dakota. According to the Doctor who performed the first autopsy, the body appeared to have been dead for a period of 10 to 18 days. According to the lawyer engaged by the Pictou family and the doctor who performed the second autopsy it would appear that the victim's hands had been mutilated, presumably for identification purposes; (b) Yes, the Canadian Government has asked the United States authorities to conduct an enquiry concerning the circumstances of Miss Pictou's death and the results of such enquiry will be communicated to her family.

CONSUMER HELP OFFICES

Question No. 5,407—**Mr. Caouette (Témiscamingue):**

1. From 1970 to date, how many Consumers' Assistance offices has the government established in Canada and what is the number in each province?

2. For each year, what amount of money has the government invested in the establishment of such offices in the Constituencies of (a) Témiscamingue (b) Villeneuve (c) Abitibi?

3. How many jobs have been created following the establishment of the offices in the Constituencies of (a) Témiscamingue (b) Villeneuve (c) Abitibi?

Mr. Art Lee (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Department of Consumer and Corporate Affairs. 1. Seventeen Consumer Help Offices have been established in Canada; one in B.C.; two in Alberta; two in Saskatchewan; two in Manitoba; five in Ontario; three in Quebec; one in New Brunswick; and one in Nova Scotia.

2. (a) none; (b) none; (c) none.

3. (a) none; (b) none; (c) none.

ANNUAL REPORTS

Question No. 5,418—**Mr. MacKay:**

1. What was the cost of producing the Annual Reports of the Department of Consumer and Corporate Affairs in 1974 and 1975?

2. (a) Were the publications printed by the Department or by a private firm (b) if contracts were let, were public tenders called?

Mr. Art Lee (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): 1. 1973-74, $2,381.12; 1974-75, $6,612.48.

2. (a) Private firm; (b) yes.

COST OF TV-IN-THE-HOUSE OF COMMONS

Question No. 5,437—**Mr. Munro (Esquimalt-Saanich):**

1. What was the cost of preparing and presenting the TV-in-the-House programme now available to Members and to what portion of this cost has CBC contributed?

2. From the budget of what department are such costs being met and on what date were they approved by Parliament?

3. What wiring has been installed in the House of Commons to accommodate the proposed acceptance by the House that its proceedings be televised and what was the cost?

4. Is it proposed to use the existing sound system in the House or is a separate audio system to be installed?

5. What is the estimated (a) capital (b) operational cost of implementing the proposals?

6. Do the estimates cover the special air-conditioned storage vaults to be used for the archival library of the video-tapes and, if not, what is the estimated cost?

Hon. Mitchell Sharp (President of the Privy Council): 1. Direct costs attributable to the Privy Council Office are $1,905.10. This total reflects the following costs: United Nations, $980.10; Patrick Watson, $500; Rental of presentation equipment, $425. Costs attributable to the CBC are $2,750. This total reflects the costs of preparation and assembly of the audio-visual presentation, rental of lighting equipment and lighting experimentation in the Commons Chamber and incidental expenses. Costs of Special Advisors to the President of the Privy Council.

NOTE: These costs include research and advice on all aspects of broadcasting Parliament as well as preparation of the audio-visual presentation.

Robert Anderson Associates Ltd., 1975-76, $35,539.45; 1976-77, $3,625. Douglas Wilkinson, 1975-76, $18,775.35; 1976-77, $3,600.

2. Costs attributable to the Privy Council Office are being met through Vote No. 1 authorized by an Appropriation Act in the normal way for 1975-76 and by the Appropriation Act (Interim Supply) for expenditures incurred in the relevant portion of the 1976-77 fiscal year. Costs attributable to the CBC are being met through the normal operating budget of the Corporation.

3. None.

4. Modifications in the existing sound system are being studied by the Speaker's Office in order to improve the efficiency of the sound facilities within the House of Commons. The modifications planned for the existing system will be adequate for television and radio broadcasting. As the resolution proposing the approval of the radio and television broadcasting of the House of Commons and its Committee proceedings, standing in the name of the President of the Privy Council, is still before the House, no decisions with regard to any technical installations in the Chamber have been taken.

5. The resolution mentioned in part 4 proposes the appointment of a special committee composed of Mr. Speaker and seven other members to supervise the implementation of the resolution. As the motion is still before the House of Commons, and therefore no committee has been constituted, no proposals have been submitted or approved. Technical information provided by the Canadian Broadcasting Corporation indicates that capital costs of installing appropriate television broadcasting equipment in the Chamber, including architectural and engineering modifications, would be in the order of $3,200,000. Annual operating costs including cost of videotape stock to provide continuous coverage of House and Committee proceedings is estimated at approximately $935,000.

6. The National Archives has been consulted on the question of videotape storage but pending approval by Parliament, no decisions have been taken.

MR. PIERRE JUNEAU

Question No. 5,442—**Mr. Cossitt:**

1. On what date did Pierre Juneau join the staff of the Prime Minister's Office (a) what is his annual salary (b) exactly how much in remuneration and expenses has he received from the date of his appointment to the date the answer to this question is prepared?

2. (a) What is a full list of all duties and details of specific tasks performed by Mr. Juneau since joining the Prime Minister's Office (b) do these duties include policy advice of any kind and, if so, what are the exact subjects on which he has given policy advice?

3. How long will Mr. Juneau be retained on the staff of the Prime Minister's Office?

4. (a) Is the Prime Minister considering appointing Mr. Juneau to the Senate and, if so, for what reason (b) what other appointments is the Prime Minister considering for Mr. Juneau?

5. On what date was the answer to this question prepared?

Right Hon. P. E. Trudeau (Prime Minister): 1. November 6, 1975; (a) See reply to question 2,984 answered February 6, 1976; (b) Remuneration, see 1 (a). Expenses, $2,661.78.

2. A copy of the public communiqué announcing Mr. Juneau's nomination and functions is being sent to the Honourable Member.

3 and 4. See Beauchesne's *Parliamentary Rules and Forms*, Fourth Edition, Citation 171 (g).

5. The Government takes responsibility for the answers it provides to questions on the Order Paper and for the process involved in replying to such questions. It is not appropriate therefore to provide information such as asked in this question about internal administrative workings.

COST OF TELEVISING OF THE PROCEEDINGS OF THE HOUSE OF COMMONS

Question No. 5,454—**Mr. Beatty:**

1. What is the cost of the audio-visual presentation concerning the televising of the proceedings of the House of Commons, prepared for the Office of the President of the Privy Council and what are all the details of the cost?

2. By whom was the presentation prepared and what instructions were given by the government with respect to the preparation of the presentation?

3. Were any capital expenditures for equipment such as television monitors required for the preparation and presentation of the audio-visual materials in question and, if so, what was the equipment and what was its cost?

4. When was the audio-visual presentation completed and how many times has it been shown since?

5. (a) What is the name of the group selected by the President of the Privy Council to make the presentation to Parliamentarians (b) what is the total amount they will be paid for their services (c) were they chosen by tender (d) what are their qualifications?

6. Did the Office of the President of the Privy Council specifically request that both the positive and negative aspect of televising the proceedings of the House of Commons should be fairly represented in this presentation and, if not, for what reason?

Hon. Mitchell Sharp (President of the Privy Council): 1. See reply to part 1 of Question 5,437 tabled this day.

Order Paper Questions

2. The presentation, consisting of a videotape record of information available in relation to television broadcasting of the proceedings of public bodies, including the United Nations, Swedish House of Assembly, House of Commons of the United Kingdom, legislature of the Province of Alberta and the United States Senate, was prepared under the direction of Robert Anderson Associates Limited with the cooperation of the Canadian Broadcasting Corporation. No instructions were given by the Government other than a request for an audio-visual compilation of available material in a readily assimilable format.

3. No.

4. English language 2 inch tape presentation completed February 12, 1976. ¾ inch production completed February 16, 1976. The English production has been shown 17 times. French language videotape presentation, 2 inch production completed March 19, 1976. ¾ inch tape production completed March 25, 1976. The French language presentation has been shown 3 times.

5. (a) Robert Anderson Associates Limited; (b) The amount of fees payable to Robert Anderson Associates Limited will not be available until their services are terminated. (See answer to part 1 of question 5,437 tabled this day for amounts paid in 1975-1976 and up to May 10th in 1976-1977); (c) No; (d) Robert Anderson Associates Limited has completed numerous audio-visual productions including both film and television documentaries in Canada and the United States and has been awarded international recognition. Robert Anderson has acted as audio-visual consultant to various agencies including the Centennial Commission, the National Research Council and the United States Educational Television Network. Douglas Wilkinson, who assisted in the preparation, of the audio-visual presentation, is a film-maker, television producer, lecturer for his books on the Canadian Arctic and his award-winning films.

6. No instructions were issued as to the orientation of the presentation. This was a responsibility of the producers.

REVENUE ACCRUING FROM CARGO FROM VESSELS IN THE BEAUFORT FLATS AREA

Question No. 5,472—**Mr. Forrestall:**

What was the total revenue to the National Harbours Board accruing from cargo loaded/unloaded to or from vessels at berths 53 and 54 in the Beauport Flats area of the Port of Quebec for each year since the completion of such berths?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The National Harbours Board advises as follows:

Year	Berth 53 ($)	Berth 54 ($)	Total ($)
1969	6,377	1,061	7,438
1970	102,907	5,650	108,557
1971	118,255	71,666	189,921
1972	143,113	113,812	256,925
1973	168,830	84,552	253,382
1974	180,186	74,002	254,188
1975	132,239	41,858	174,097

[Mr. Sharp.]

[*English*]

Mr. Blais: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

[*Translation*]

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed from Friday, May 28, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, in the last ten years hon. members of this House have had to give their opinion on capital punishment and to take part in four important debates on this subject.

On October 24, 1973, the Parliament of Canada decided for the abolition of the death penalty by 119 votes against 106, except for the murder of security guards, prison guards and policemen. On that occasion, Mr. Speaker, I voted for Bill C-2.

Today, I would like to enumerate the reasons why I changed my views and I shall describe the process of the consultation I had to undertake.

I for one attach great value to the general attitude we have toward life, the dignity of the human being and the character of people and that prompts me to act prudently while deciding whether the state should intervene in the life or death of a human being. If we refuse to the state the right to take the life of one of its members, we should, to be consistent, deny it the right to deprive someone of freedom for his lifetime and to remove all hope of freedom.

Is it not just as cruel to imprison a human being for 25 years without any rehabilitation opportunity as prescribed by Bill C-84 now before the House? First, I wish to explain the different categories of murders and see if capital punishment has a deterrent effect or not and what are the possibilities of hanging an innocent victim. As I said earlier, we must first place the debate in its actual context and define the procedure concerning the identification of the presumed offender or define the categories of murders punishable by death.

But we should not think that the retentionists are potential jailers and that they would be ready to apply capital punishment for all murders. I am favorable to rehabilitation policies and during my experience in Parliament I dealt with some cases and I have two examples of persons who have been rehabilitated in the riding I have the honour to represent and I can say that I believe in rehabilitation as those two people are now well adapted and very active in society and are not parasites living off society. On the other hand, I love life too much to let those who have no respect for the life of others walk freely in the streets.

So, I wish to clearly classify murders in two categories as prescribed by the legislation that makes a distinction between first degree murder, that is a planned and deliberate murder including contracted murder, the murder of a policeman or a prison or penitentiary employee acting in the course of their duties. First degree murder is also the murder committed during the highjacking of an aircraft, a kidnapping or some sexual offense including rape and attempted rape. Those are first degree murders. Second degree murder includes all other murders including crime due to jealousy. The definition of first degree and second degree murders should be well understood.

What are the new penalties applied under Bill C-84 now under study? A person convicted of first degree murder will be sentenced to 25 years' imprisonment before being eligible for parole for the first time.

A person convicted of second degree murder may be eligible for parole only after 10 full years in prison. However, the judge may, if the jury so recommends, extend to 25 years the mandatory prison sentence without parole.

So, there are the differences between the two categories of murders and the penalties provided for in Bill C-84.

Mr. Speaker, I would now like to answer some of the questions we may ask ourselves or make a few comments about some of the statements made by the Solicitor General (Mr. Allmand) when he launched the debate on this bill on May 3 last, when he said that those who believe in the deterrent value of the death penalty are maybe a little more simplistic, a little more narrow-minded. I do not want to report him as saying things he did not say, that is why I would like to remind him of his statement as recorded on page 13089 of *Hansard*.

I also heard some members take a stand against the death penalty because they think is has no deterrent effect and, here again, we are provided with statistical data. The solicitor General said that those who claim that the increase in the number of murders is due to the fact that there has not been any execution in Canada since 1962 are wrong and mislead those who listen to them.

● (1550)

I will refrain from quoting a whole part of the speech because my time is limited, but in any case I respect the view expressed by the Solicitor General, although I do not agree with the terms he used, and I also respect my colleagues who expressed the same view. But I have a lot of reservations before using this argument in favour of the abolition of the death penalty. Those figures do not single out the deterrent effect because they were not established with a view to drawing conclusions, but with a view to confirming a conclusion which was already made through a moral and philosophic reasoning or else, by intuition.

Statistical data give rise to various interpretations. It is almost impossible to make useful comparisons between various countries because of the differences in the legal definition, in crimes, in the practices of the various departments concerned, in the different courts, in the way of gathering criminal data which differ from one country to another, in the morality and behaviour standards and finally in the political, economic and social conditions of those various countries.

I believe, however, that we can quite naturally assume that the professional criminal who views prison as a trade hazard considers the death penalty as something quite different. Clearly, when a murder is committed, there has been no deterrent. But this in no way implies capital punishment did not deter other inmates from committing murder. Statistics are impossible to obtain on that possibility, on the number of people who did not commit murder. Offences only are reported. Those cases where the offence was not committed appear nowhere in statistics. It seems to me that on the basis of statistics only, it cannot be stated that capital punishment is not a deterrent, because it is said that since it was abolished, there does not appear to be a rising crime rate.

Even referring to the research centre report entitled: A study of capital punishment as evidenced by Canadian associations, which was published by the Solicitor General and which very clearly refers to the criminal behaviour trend from 1962 to 1970, while in 1962, the rate was 1.7 per 100,000 people 7 years old or more, the rate was 2.3 in 1970. Looking at statistics of attempted murders appearing in the same report in Table 33, we see that the rate went from 0.5 per 100,000 in 1962 to 1.4 in 1970. Therefore, the rate is on the increase. I believe there is always a danger in comparing statistics from different countries with and without capital punishment. This is always subject to errors.

My decision was taken in the light of information received, a document I consulted, and also my personal experience. I would like to stress to the hon. members that there is actually a deterrence, although some would argue to the contrary. I am referring to hangings at the Bordeaux prison, in the north end of Montreal. On the evenings where somebody was hanged, people used to gather in front of the prison. There was complete silence among those people. Everyone waited for the flag to be hoisted, confirming that the poor victim was dead.

I went there twice and I admit that I did not remain indifferent. One cannot remain insensitive to such a spectacle, if I may call it that. We were all silent and sad and in favour of mercy on the part of the jury or the Supreme Court. As to the inmates inside the prisons, a chaplain confirmed to me that it was a day of mourning for all of them, and that the mourning did not last only one day but several days before and after the hanging. The inmates really refected and realized that this penalty given for a crime, I am still talking of premeditated murder, gave a true idea of the horror it inspires to most people.

That day certainly included for inmates and members of criminal circles outside, that is members of the mafia or organized crime, moments of refection which, in my esti-

mation, were and are likely to prevent other crimes by the inmates who are spending jail terms of 25 years such as proposed in the bill and will at least act as a deterrent for the inmates. Prisoners are not motivated in any way toward good conduct because they are in for 25 years. What will they loose by committing a second murder? For them, there is no possibility of rehabilitation. Following this process, Mr. Speaker, I for one believe that capital punishment acts as a deterrent.

Secondly, what is the danger or risk of making a mistake and hanging an innocent victim? It seems to me that the development of social legislation and gratuities, and the advantages of legal assistance for court defence and of identification of the true victims by medical procedures, by the unanimous decision of the jury, the Appeals Court and the Supreme Court eliminate all possibility of error during the trial. And speaking about unanimity of the jury, I would like to refer to the trial of Jean-Guy Dubois and Jacques Ouimet, where the ninth member of the jury had some doubts and the judge asked for a new trial. This trial will take place in the fall. I believe that this is certainly a precaution which aims at preventing innocent people from becoming victims of the death penalty.

In my opinion, the present situation is much more dangerous to the extent that innocents are victimized without a trial. If we continue the present system, that is if we maintain the abolition of the death penalty, and even if we eliminate the exceptions that I mentioned at the beginning of my speech, if we completely abolish the death penalty, I believe that such an attitude will greatly increase the danger that innocent people would become the victims, and without benefit of a trial.

I am very concerned that simply to defend themselves, people will shoot to stop the first criminal attempt. For instance, you will recall the pharmacist who saw someone go into his store and simply to defend himself, chose to shoot first instead of becoming a victim. It seems to me that the present situation is more dangerous, that is that Canadian citizens run a greater risk of being innocent victims now than if the death penalty were established within the framework that I mentioned at the beginning of my speech.

As concerns social defence theoreticians who blame society for everything, it seems to me that they have a tendency to negate individual responsibility. It is true that we have established all sorts of services or social and even protectionist policies, and I have always been in favour of such initiatives, which form the basis of civilization, of love, of friendship, and I would even say of human society. But for some people, the establishment of these structures becomes a means to evade their responsibities.

For some, all these programs constitute a way to evade their responsibilities, and they rely only on others and prefer letting the community do everything instead of developing a personal interest or motivation for work, and a discipline for life. If they have a problem, they prefer to dilute their responsibility on the rest of the community.

Generalization of that belief leads to the conclusion that society alone is responsible for the mistakes of individuals. I think a criminogenic virus more powerful in itself than all its pharmacopoeia and likely to ruin its action is being maintained and fed. Capital punishment should not be considered as pure vengeance, nor those who are in favour of capital punishment as more simplistic minds than others. It is healthy for society to be able to condemn symbolically a sordid crime. To deny society that right would be to urge it to show more severity for crime and downgrade its standards of public morality.

In concluding I will support all rehabilitation measures for inmates who accept to live within society. And I hope to have the opportunity at other times to speak on the measures I would like to see implemented in the area of rehabilitation, measures that I already advocated at the St. Vincent de Paul penitentiary before, unfortunately, a decision was made to wind up in three stages all farm production material on that 400 acre farm where vegetables, meat and dairy products were produced on the farm, and an unfortunate decision was made to close that farm altogether and buy at retail prices all the food required for the St. Vincent de Paul penitentiary and the Archambault Institute. I think in that context we could have got a rehabilitation policy going.

So I suggest that the courts make it a priority to proceed with the trial of an alleged murderer and that deliberation take place in a reasonable delay rather than cases being postponed for two or three years. Quite often witnesses could not be found; I am not talking about a very short delay so that public opinion, feeling and emotion can be aroused through the papers, but a reasonable delay. I think we should make it a priority to hear those trials, and in a reasonable delay. Mr. Speaker, if Parliament votes the abolition of capital punishment I ask the government to amend the law so at least a second time murderer will be subject to capital punishment, and that his trial be proceeded with as soon as possible.

• (1600)

[*English*]

Mr. Don Mazankowski (Vegreville): Mr. Speaker, it is always a pleasure to follow my good friend, the hon. member for Laval (Mr. Roy), and I congratulate him on a well reasoned and well thought-out speech. As the President of the Privy Council (Mr. Sharp) indicated today, this has been a very long debate, with in the order of 70 speakers participating so far. This reflects the great importance members place on this issue and the deep sense of conviction members hold on both sides of the question. Because of this, they feel compelled to speak and place on record their views and, indeed, the views of their constituents.

As other speakers who have preceded me have indicated, this is certainly not one of the most pleasurable debates in which one might participate. There have been a number of speeches covering, in essence, every aspect of this important subject. There have been excellent presentations on both sides of the issue. I have listened to a great number of those speeches and have read many more, and regardless of the view one might hold on this subject, one cannot be anything but impressed by the very high calibre and sincerity hon. members have displayed in their approach to the issue.

I do not wish to minimize the contribution of any member who has taken part in the debate, and certainly not of the hon. member who preceded me for whom I have

developed a great amount of respect and admiration over the years. But I must say, after reading the speeches, I was most impressed by the contribution of such members as the hon. member for Saint-Hyacinthe (Mr. Wagner), the hon. member for Portage (Mr. Masniuk), the hon. member for Edmonton-Strathcona (Mr. Roche), the hon. member for Ontario (Mr. Cafik), the hon. member for Egmont (Mr. MacDonald), the hon. member for New Westminster (Mr. Leggatt), the hon. member for Okanagan Boundary (Mr. Whittaker) and, on Friday, the very thoughtful presentation by the hon. member for Provencher (Mr. Epp). To those hon. members who did not have an opportunity of hearing those speeches or have not as yet had an opportunity of reading them, I would certainly commend them for reading.

There is no question but that the issue of capital punishment has once again caused widespread concern and further active debate in all parts of Canada. As one hon. member has put it in this House, there is a feeling of anxiety and quiet desperation toward the whole issue of violent crime in our society and the manner with which this government in particular has approached it. The anxiety, quite frankly, involves the safety and security of all citizens in Canada. There is growing apprehension as to what will be done, if anything, to restore safety and security in Canada.

Most of us have received a great deal of mail on this subject, and some of us have conducted surveys. Some of the comments we have heard from our constituents can be summed up by phrases such as: murderers should be treated as a threat to society and not as a menace to society; either keep them in prison and a long way from society, or definitely reinstate the death penalty. Perhaps their feelings can be summed up by a phrase of this order: we do not need murderers walking around to murder again, or the expense of keeping them in jail. There is a general feeling of desperation and frustration. I can assure the House that the feeling of concern is widespread and most genuine.

Through this bill we are once again asked to place our positions on the line. A vote for this bill will, in fact, be a vote to abolish capital punishment and a vote against will be a vote to reconfirm the five-year partial abolition which expires, I believe, in 1978. The first question which arises in my mind is why we have to be dealing with this piece of legislation at this particular time. This law still has another 2½ years or so to run. We have a law on the statute books and it is amazing to me that we find ourselves dealing with this particular issue at a time when we have so many other important issues facing the country. One can only assume that this is an attempt to divert attention from the real issues facing the country, or an attempt to divert our attention from getting at the root causes of violent crime. For whatever reason, the Solicitor General (Mr. Allmand) and the government have seen fit to bring this bill forward, we as members are called upon again to render another decision.

Most members will agree that this is not a clearcut issue. Nor is it easy to rationalize or decide which is the best route to choose in casting one's vote on this issue. It is perhaps the most agonizing deliberation I have ever engaged in, and I am sure it is agonizing to all hon. members, at least judging from the sincerity and the manner in which hon. members have made their individual presentations to the House. The issue is associated with religious, philosophical and traditional connotations. It is related, as well, to such factors and considerations as rehabilitation, the question and philosophy of punishment, the philosophy of revenge and reform, and whether or not capital punishment is a deterrent to murder. There have been convincing arguments on both sides of the issue.

Moreover, we have been bombarded by reams of statistical data as well as the historical evaluation and study of capital punishment—courtesy of the Solicitor General's department! We have been subjected to a fair amount of so-called expert opinion, if you will, from those who conveniently endorse the Solicitor General's view. Quite frankly, I really must question the objective validity of some of those so-called expert opinions placed before us. Those people, in my view, have an obvious bias, as does anyone who participates in this debate, and in my view they simply set out to rationalize or justify their views by applying selected statistics, and interpreting those statistics to the best advantage in support of their viewpoints.

I suppose that is fair and part of debate, or part of putting forward one's own particular point of view, but I say that this circumstance should be made abundantly clear. Quite frankly, I question whether in fact there are any real experts in this particular field. If so, who are they, because, as the hon. member for Laval just pointed out, you can manipulate statistics to prove any point of view—and we see it happening in this case. We see statistical evidence used to support either point of view quite effectively.

● (1610)

So I believe that one has to rely upon one's own beliefs and whatever view one has, supported by his evidence and supported by one's constituents—if you will, one's own gut feeling. If the bill should pass, it will in effect give approval to the past actions of the government, since the law which we now have on the books has not been implemented. In my view, the government has failed to enforce the spirit and the intent of the law. Yet I am aware of the fact that the governor in council may commute a sentence of death to imprisonment for life or invoke the royal prerogative of mercy, but I wonder whether, by applying those two sections in every case, the real intent and spirit of the law is complied with. I submit it is not. What is irritating Canadians more than anything else is simply the failure of the government to comply with the spirit of our laws. In that connection, I circulated a survey to my constituents in response to which I received some comments which appeared on the form from a resident in the Vegreville federal constituency. The comments read:

> Can we be certain after the last legislation in which, when police and prison guards were murdered and their murderers were supposed to get the death penalty and didn't, that this new legislation is going to help the situation? If that was not enforced, how can we be certain that this will be? Will these murderers be out on the streets again in a year or two, or will we finally stand behind our legislation? In the way in which our legislation is getting more lenient, in a few years will murder be legalized?

I think that sums up the irritation and the frustration of many Canadians across this land. To a large number of Canadians this government has simply flaunted the law. I

suggest, also, that this sort of action by the government contributes to cynicism and mistrust of politics, politicians and our institutions. The failure of the government to enforce the law which currently exists on our statute books has resulted in the downgrading of respect for the law and has made a mockery of our legislative process. Moreover, we have had a widespread feeling in the country that law enforcement has not been sufficiently stern, that it has gone soft, creating a coddling of the criminal environment, to the detriment of the safety and security of Canadians. Because of this attitude on the part of the government in the administration of justice, many Canadians have serious doubts and reservations about the sincerity and determination to apply this new law firmly and effectively.

Our law states that the murder of policemen and prison guards will result in the death penalty, and in all other cases the punishment is life imprisonment. This law has been in existence since 1968. If we look at the figures which have been provided by the Solicitor General, we find that in the period from January, 1968, to December, 1974, the average time served by murderers convicted of capital murder whose sentences were commuted was 13.2 years. Those convicted of non-capital murder and sentenced to life served an average of 7.7 years. As I said, most Canadians fail to believe that suddenly with the passage of this bill the government, given its past record, will extend the mandatory period to 25 years, or 15 years in certain circumstances in the case of first-degree murder and to ten years in the case of second-degree murder. What makes this law more rigid, than the existing one presently on our books? I do not believe that the spirit of this law will be complied with. I suggest that this is merely an attempt to hoodwink Canadians into believing that they will be more secure with this measure than with the existing law which the government has failed to carry out.

We know all too well that there are ways of getting around the application of the spirit and intent of the law through parole measures with rehabilitation, through regulations, and through so called measures of reform. I say to you, Mr. Speaker, that Canadians have lost confidence in the administration of justice as it relates to crime and violence in this country and it will not be restored by the passage of this bill.

I intend to vote against this bill because I believe that capital punishment is a deterrent for all forms of planned, premeditated or "contract" murders. In my view, the essence of life is the struggle to avoid death, and if death is not a deterrent, then why do we fight so vigorously to live? I simply cannot accept the view that a prospective murderer deliberately planning to take another man's life would consider the death penalty to be no more severe than life imprisonment. Furthermore, any person who takes the life of a fellow human being by contract or in a planned or premeditated ways deserves nothing more than the same. I say that whether it is in the name of revenge, punishment or the protection of society.

My second reason for voting against this measure is based on the view of my constituents, supported by the views of the vast majority of Canadians in this country. Quite simply, they want the death penalty returned. In that connection I have conducted a survey based upon this legislation. It is not a general questionnaire asking whether one is in favour of or against the death penalty. I based my questions on a summary of this legislation and sent out 20,000 copies, of which 4,000 were returned—a 20 per cent response. The question is whether the federal government proposes to abolish capital punishment for persons convicted of murder and replace it with a mandatory sentence of life imprisonment.

I stated that under the new law, murder will be divided into two cagetories: First, first-degree murder, which includes planned and deliberate murder including contract murder, the murder of police officers and persons working in a prison in the line of duty, murder committed in the course of hijacking, kidnapping and certain sexual offences; and second, second-degree murder, which includes all other murders such as murder of passion. I also stated that the death penalty for both first and second-degree murder is a mandatory sentence of life imprisonment.

● (1620)

The questionnaire goes on to say that persons convicted of first-degree murder must serve 25 years of imprisonment before being considered eligible for parole. Persons convicted of second-degree murder will not be eligible for parole until they have served a minimum of ten years of their sentence. This period may be increased, however, to 25 years, depending upon the discretion of the judge and jury. There are provisions for a review of the parole eligibility date by three supreme court judges after an offender has served 15 years. The questionnaire asked: "Do you agree or disagree with this proposal," and 18.6 per cent agreed, 71.8 per cent disagreed, and 9.6 per cent expressed no opinion. The second question was: "If you disagree, do you feel the death penalty should be reinstated," and 82.9 per cent agreed, 5.9 per cent disagreed, and 11.2 per cent had no opinion.

The support for the death penalty was for premeditated murder and the murder of policemen and prison guards. This survey coincides with the feelings which were cited in the booklet entitled "The Canadian Public and the Death Penalty", a study of a social attitude by Professor Fattah, chairman of the criminology department, Simon Fraser University, Burnaby, B.C. While the learned professor concedes that the Canadian people in fact want the retention of the death penalty, he suggests, in the same vein, that such public opinion is uninformed, irrational and uneducated. Well, all I can say to this House is that I consider my constituents to be no less uninformed or no more irrational or less educated than the average Canadian. I have great respect for my constituents and for their views. When we are asked to pass judgment on an issue as complex and as important as this issue, on which I feel there are no real experts, I have absolutely no hesitation whatsoever in asking for and relying on the guidance and advice of my constituents, and this I have done.

As I said earlier, the views which have been expressed by my constituents coincide with the mood of the country. If we ignore the wishes of the majority on this issus, which has been consistently in favour of retention, based upon the statistics over the last seven or eight years which were presented by Professor Fattah, we are, in effect, questioning the validity of democracy, and indeed, the election of a

government on the basis of who gets the most votes and in turn the most seats. I believe that to ignore public opinion on this issue is inconsistent and contemptuous of majority rule. That is an affront to one of the basic principles of democracy. After all, governments get elected by a majority, which is an expression of a majority opinion. For those who might disagree with my rationale, I suggest that we choose a national referendum to settle the subject once and for all.

I say once again that there is a growing amount of cynicism about politics, politicians and our democratic institutions. Much of this emanates from the failure of our politicians accurately to reflect the views of those whom they represent. I believe in democracy. The issue before us is indeed difficult and complex, and I believe that when we are faced with an issue as sensitive as this, one which goes to the very core of our social and moral fabric, we should solve it, not by ignoring the wishes of the majority of Canadians but by accepting the wishes of the majority. Very clearly, the majority of Canadians are opposed to total abolition. That is the position of the majority of my constituents, and that is the position I shall take when I cast my vote on this bill.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn)—Supply and Services—Lockheed contract—Department's knowledge of financing difficulties; the hon. member for Dartmouth-Halifax East (Mr. Forrestall)—Transport—Increase in container freight rates—Request for review by Transport Commission or government intervention; the hon. member for Lethbridge (Mr. Hurlburt)— Agriculture—Number of cattle and sheep destroyed under blue tongue control program.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, this debate on this occasion, under the circumstances of the economic ills facing this country, seems to me to be put a red herring designed strictly to captivate public attention and to turn aside from those matters which the government should really be addressing itself to rather than this. First, there was Bill C-83, an omnibus bill designed, one would almost say, to be sure that people would be taken away from the problems of wage and price controls, the problems of unemployment and many other important problems. Then to top it off, along comes Bill C-84.

Bill C-84 marks the fifth time in my career in this House that there has been debate on capital punishment. In 1958 there was a motion by the then member for Scarborough, Frank McGee. There was no vote on that occasion. Then is 1966 or thereabouts there was a government motion, a resolution which did not carry. It was defeated. Then in 1967, in a quick *volte face*, the government came forward with a bill restricting capital punishment. This was repeated in 1972 with the five-year renewal, and now we are faced with the total abolition of capital punishment. Considering what the hon. member for Vegreville (Mr. Mazankowski) and other hon. members in this House have said, and public opinion being what it is, one wonders at the sanity and the purpose of the government in bringing forward this matter at this time.

If I may be permitted a personal note, some 70 hon. members have spoken. Perhaps I am about the seventy-third speaker on this subject, and there will be just as many more, if not more than that. I regret that in so far as this debate is concerned there have been far too many carefully honed, prepared transcripts which hon. members have read with varying degrees of success. There is only one purpose for that. It is a transgression of the standard of conduct of this House. No one, other than a minister reading a carefully prepared explanation of some legislation should use a text.

Mr. Caccia: Oh, oh!

● (1630)

Mr. Lambert (Edmonton West): The hon. member for Davenport (Mr. Caccia) can make his own remarks. I have seen far too many of those speeches. Let the hon. member check the attendances at committee and then he can make those allegations. I say, with all due respect to the Chair, that I think it would improve debate a great deal if not so many prepared texts were used.

Some hon. Members: Hear, hear!

Mr. Lambert (Edmonton West): Hon. members have had plenty of experience in this House. I realize that at the beginning this chamber can be very awe-inspiring and perhaps some members then require a prepared speech.

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

Mr. Lambert (Edmonton West): Certainly.

Mr. Caccia: Mr. Speaker, does the hon. member who has the floor realize that the speaker who preceded him was speaking from notes that were carefully prepared?

Mr. Paproski: He was not.

An hon. Member: He did not read from them.

Mr. Lambert (Edmonton West): Mr. Speaker, I have not had any opportunity to consider whether my colleague the hon. member for Vegreville, followed a text.

Mr. Mazankowski: I rise on a question of privilege, Mr. Speaker.

The Acting Speaker (Mr. Turner): The hon. member for Vegreville (Mr. Mazankowski) on a question of privilege.

Mr. Mazankowski: If the hon. member for Davenport (Mr. Caccia) wants to strike at the arguments of my friend, the hon. member for Edmonton West (Mr. Lambert), and cannot find any better weapon than by picking on me, I suggest he should remarshall his forces. I think it is very unfair for him to cast aspersions against my speech. I had notes written out in handwriting, and I do not think there is any law against that. I would ask the hon. member to withdraw his statement.

An hon. Member: Withdraw.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Turner): Order, please. I was watching the hon. member for Vegreville, and I certainly did not see him read his speech; but he did have notes.

Some hon. Members: Hear, hear!

Mr. MacFarlane: Mr. Speaker, a point of order.

The Acting Speaker (Mr. Turner): The hon. member for Hamilton Mountain (Mr. MacFarlane) on a point of order.

Mr. MacFarlane: Mr. Speaker, I would respectfully submit that the hon. member for Edmonton West (Mr. Lambert) has cast aspersions on all of us. I know I did not use my notes during my speech, and in fact the hon. member accused me of speaking to the angels because I was looking down.

The Acting Speaker (Mr. Turner): Order, please. In the opinion of the Chair, the hon. member for Hamilton Mountain is always an angel.

Mr. Lambert (Edmonton West): Mr. Speaker, not all hon. members, of course, but far too many have spoken from texts. It seems to me that the sooner we get back to the practice of speaking directly, the better. After all, every one of us was elected by speaking directly to his constituents. No member would dare appear on a platform and speak from a text.

[*Translation*]

Mr. Roy (Laval): I rise on a point of order, Mr. Speaker.

[*English*]

The Acting Speaker (Mr. Turner): The hon. member for Laval (Mr. Roy) on a point of order. I would suggest that we get back to the subject of Bill C-84.

[*Translation*]

Mr. Roy (Laval): Speaker, I rise on a point of order.

[Mr. Caccia.]

Mr. Speaker, I want to say that if the hon. member refers to some member of any of the parties in the House, I think it is sometimes advisable to prepare one's speeches. Then they are much more consistent, relevant and concise and the time of the House is not wasted.

[*English*]

The Acting Speaker (Mr. Turner): Order, please. The Chair would suggest that we are getting into a point of debate and we should get back to the terms of Bill C-84.

Some hon. Members: Hear, hear!

Mr. Lambert (Edmonton West): Very well, Mr. Speaker. The reason I raise this point is that I am not always too sure the speech is the view of the hon. member who is making it. I also find it a bad practice to have a copy of the speech and to hand it to the media. The media have access to the "blues", the working copies, and can get their reports quickly. There is no need for a written copy to be handed to the media.

Interest in capital punishment has waxed and waned. No capital sentence has been carried out since 1962, despite clearcut indications that the exercise of the royal prerogative by the cabinet has been nothing short of blatant abuse. In 1964-65 we had the Santa Claus murder case, and there was a sort of five minutes to midnight commutation. There had been no recommendation for mercy in this cold-blooded killing of policemen and yet there was a commutation.

There was another instance where I know hon. members on the other side were violently aroused by the crime, one of the most violent Canada has seen, when one, Dionne, raped and murdered four children in Quebec City. His sentence was commuted to life imprisonment. What for? He was subsequently killed in prison by other inmates.

Mr. Speaker, I want to make the point that I feel the sentence of whole life imprisonment is a cold, sadistic act. We read of the Roman dictators who are reported to have given slaves the right to life; they were turned loose in a pit of lions unarmed, and if they could kill the lions their lives were preserved. It is the same sort of thing today to put into the prison system a man who has been found guilty of murder, particularly certain types of murder. He is going to be killed. Pontius Pilate could not have been more cynical. The government claims that he has not been sentenced to death, that his sentence has been commuted to 25 years or 15 years; but the human wolves in the penal system will get him, Mr. Speaker. As sure as the Prime Minister (Mr. Trudeau) and the Solicitor General (Mr. Allmand) are drawing breath today, those men will die.

What do we do with a "Williams"? What do we do with that unfortunate individual in Saskatoon who killed those four children? Do we put them into the penal system because they have a right to their lives? That is the argument made to justify the abolition of capital punishment, that the state has not the right to take a life. But, Mr. Speaker, the individual who is put into the penal system will be killed. That makes it that much more sadistic on the part of legislators who say that for those humane and moral reasons they are going to abolish capital punishment. Instead of the hangman's noose, it is knife or it is strangling. Instead of the hangman's noose, are we to see beatings to death in prison? Does anyone think that alter-

ing the form of punishment will make society feel better? Does anyone think that we are wrapping a mantle of self-righteousness about ourselves if we decree the abolition of existing forms of capital punishment, yet send men and women to a much crueller, more sadistic death? What we are being asked to do makes a travesty of our system of justice.

● (1640)

I think the 1967 restrictions were the result of an abandonment of so-called moral principles which provided for the abolition of capital punishment. Before 1967 we heard about those moral principles; we have not heard much about them in this debate. One can cite Scripture any way one chooses. It is almost like statistics. Scripture can be used to justify almost any case. Surely to goodness, what is law if it is not the formal expression—

An hon. Member: You have lost your place.

Mr. Lambert (Edmonton West): If the hon. member for Hamilton Mountain (Mr. MacFarlane) wants to know how many notes I have, I tell him that I have a foolscap page full of definitions.

An hon. Member: Table them.

Mr. Lambert (Edmonton West): I will table the hon. member, too.

For the benefit of the hon. member for Hamilton Mountain, I say that law is the formal expression of a rule of conduct of a human society, for the benefit and protection of that society, which is accepted by that society. Why is the government proposing the change to the Criminal Code, in the guise of Bill C-84, a change which Canadian society does not want to accept? Either I am right or all our mail, surveys and polls, are wrong. Canadian society does not want to accept the abolition of capital punishment, does not accept the punishment for murder as contained in Bill C-84, life imprisonment only, and has shown that it is concerned about its own protection. The law shall be for the protection of society. If the law protects adequately, why, as the hon. member for Vegreville asked some moments ago, is there the present preoccupation, in the public mind, with protection? The reason is that the law is failing to protect the public. Certainly, there is a great deal more violence these days; but the law should protect the public from violence, and it does not.

By introducing a bill providing for partial abolition, the government of 1967 threw a sop to its backbenchers who wanted to protect prison guards and policemen. The principle of that bill involved limited protection; of course, immediately the bill became law, that principle went out the window. Without doubt, the 1967 bill was based on arguments of so-called higher moral values. In order to get Bill C-2 through the House, the government had to agree on two categories of capital offences, capital murder and non-capital murder. Once those categories were established and the bill passed, the cabinet went through what I consider a most cynical exercise. I think between 1967 and 1972 it really went to the point of misleading parliament as it had no intention at all of having capital sentences carried out. Despite all the protection given in the courts, it was never intended to carry out a capital sentence.

Now we are considering Bill C-84. The reason, I suggest, is that there is a backlog, a waiting line of men who have been found guilty of capital murder within the restrictions of the present law. By having the present bill passed, the cabinet hopes to avoid the responsibilities of the law which it brought forward in 1972. I do not like Bill C-84. I do not believe in the abolition of the death penalty, and never have. Since 1958, in every debate on capital punishment in which I participated I have been against the abolition of the death penalty. I favour the law which was introduced in 1961 and in force until 1967, a law providing for the division into capital and non-capital categories of that heinous crime, murder.

I anticipated that this year there might be a debate on capital punishment and therefore conducted a survey in 1975, which continued from September until November. I sent out 47,000 questionnaires to homes in Edmonton West, and received about 7,300 returns, or 15 per cent. Incidentally, the returns were carefully analysed as to the sex of the person replying, age group, whether male or female, and marital status. I sent a copy of the results of the questionnaire to every member of the cabinet. I must tell hon. members that several cabinet ministers privately indicated to me that when they see results like these it shows how sadly out of touch they are with public opinion. Let me read the first question on the questionnaire, and the result:

> Capital punishment (death by hanging) is presently limited to those convicted of murdering an on-duty police officer or prison guard, and conviction can be commuted to life imprisonment by the cabinet. Are you in favour of:
>
> (a) retention of the law as it now stands?
>
> "Yes", 2 per cent.

In other words, 150 out of 7,300 answered that they were satisfied with the retention of the law as it now stands. I continue:

● (1650)

> (b) retention of the present law with the addition of severe limits on the rights of commutation?
>
> "Yes", 6 per cent.
>
> (c) any sentence of life imprisonment for capital murder being with (8 per cent—605) or without (50 per cent—3,681) provisions for parole?

In other words, that is a sentence to life imprisonment and throw away the key.

> (d) having the death penalty applicable to anyone convicted of premeditated murder, murder for personal gain, or murder resulting from a crime of violence such as armed robbery, rape, etc., without distinction as to the victim?
>
> "Yes", 76 per cent.
>
> (e) the total abolition of capital punishment?
>
> "Yes", 9 per cent.

That is what the people of my constituency think about the subject of abolition of capital punishment. There was a further return on a question asked by the Edmonton Police Association. The question read:

> I believe in extending the sentence of capital punishment to all premeditated murder and murder committed during the commission of a crime. Yes or no.

I received 1,700 copies of this newspaper clipping which is very simplistic in its terms. Of those, 89 per cent replied yes, they were in favour of the extension of capital punishment for all premeditated murder and murder committed

during the commission of a crime. Many years ago there was a royal commission on capital punishment in the United Kingdom, 1949-1953. I quote from that report:

> We think it is reasonable to suppose that the deterrent force of capital punishment operates not only by affecting the conscious thoughts of individuals tempted to commit murder, but also by building up in the community, over a long period of time, a deep feeling of peculiar abhorrence for the crime of murder. "The fact that men are hung for murder is one great reason why murder is considered so dreadful a crime."

Murder is a dreadful crime. We use a very awesome and dread-producing penalty. It has been said by the Solicitor General (Mr. Allmand) and many others that capital punishment has not been a deterrent to murder because murder is still committed. Capital punishment is not a 100 per cent solution to preventing murder. There is no punishment that is a 100 per cent deterrent or preventer of crime. I suppose one might say that capital punishment is right because the person who is executed will not commit any crimes thereafter, but that is the only sure one.

I find it passing strange that in all this argument, abolitionists say to those who would retain capital punishment "prove your case". Why? After all, is it not up to those who advocate a change to prove their case? It is the abolitionists who wish to change the law. Let them prove their case. Do not ask those who would retain capital punishment to prove their case. The onus is on those who wish to make the change. That is a principle of law and it will always apply.

In so far as deterrence is concerned, there are no statistics with regard to why a person was deterred. If I asked the hon. member who is just leaving the chamber whether he had ever been deterred from committing crime, since he did not commit a crime, he would not come forward to say so. No one who has been deterred from committing a crime will come forward and say that they were prepared to shoot or knife an individual, but because of capital punishment they did not do it. Therefore, the question of statistics is a totally bogus argument. In the report of the royal commission on capital punishment in the United Kingdom, Lord Justice Denning, as he then was, said:

> The punishment inflicted for grave crimes should adequately reflect the revulsion felt by the great majority of citizens for them. It is a mistake to consider the objects of punishment as being deterrent or reformative or preventive and nothing else... The ultimate justification of any punishment is not that it is a deterrent, but that it is the emphatic denunciation by the community of a crime: and from this point of view, there are some murders which, in the present state of public opinion, demand the most emphatic denunciation of all, namely the death penalty.

My former colleague, Davie Fulton, in the second reading debate of the 1961 bill, as reported in *Hansard* for May 23 of that year, said:

> Society's concern for its basic rules is expressed in its commands—

The Acting Speaker (Mr. Turner): Order, please. It being five o'oclock, pursuant to order made Friday, February 27, 1976, the House will now proceed to the consideration of private members' business as listed on todays' order paper, namely, notices of motions.

Mr. Blais: Mr. Speaker, as a result of the usual negotiations, we have agreed that we will deal with motion No. 9 standing in the name of the hon. member for Rocky Mountain (Mr. Clark)—

[Mr. Lambert (Edmonton West).]

Mr. Knowles (Winnipeg North Centre): Who?

Mr. Blais: —the hon. member for Rocky Mountain, as he then was, now the Leader of the Opposition; page 63 of today's order paper.

Mr. Paproski: That is agreed, Mr. Speaker.

The Acting Speaker (Mr. Turner): It is so ordered.

PRIVATE MEMBERS' MOTIONS

[*English*]

THE MINISTRY

SUGGESTED COMMITTEE STUDY OF POWERS, PREROGATIVES AND PRIVILEGES OF OFFICE OF PRIME MINISTER

The House resumed from Monday, December 9, 1974, the motion of Mr. Clark:

> That, in the opinion of this House, a committee should be selected to consider the powers, prerogatives and privileges attaching to the office of Prime Minister and to report what safeguards are desirable or necessary to secure the constitutional principles of the sovereignty of parliament and the supremacy of the law.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I am indebted to the Parliamentary Secretary to the President of the Privy Council (Mr. Blais) for underscoring the change in status of the hon. member for Rocky Mountain (Mr. Clark), as he then was—a change in status which I feel confident will be changed even further as a result of the next foray in our political system before the electors of this country. I think it important that all members of parliament, backbenchers, cabinet ministers—yes, even the Prime Minister (Mr. Trudeau)—should read and reread the speech of the hon. member for Rocky Mountain, now Leader of the Opposition, which was delivered in this House on December 9, 1974, when the motion before us was introduced in his name.

● (1700)

There are a number of reasons why the office of the Prime Minister should be subject to scrutiny by all of us as we look ahead as representatives of the people of this country. First is the increasing ease with which all of us, particularly the Prime Minister, are able to communicate with the public. Then there is the effect of the changes in the rules of the House, which has been to emphasize the pre-eminent position of the government and, in particular, of the office of the Prime Minister.

I do not propose to reread the speech delivered by the Leader of the Opposition in 1974, but I do think it is well worth quoting from his remarks as recorded at page 2071 of *Hansard*. Speaking briefly about the office of the Prime Minister, he had this to say:

> The Prime Minister comes to the question period on most days, but the questions are usually about his judgment, seldom about his powers; and anyway there is no requirement that he answer. After the so-called Pearson precedent of 1968 there is a real question whether parliament can defeat a Prime Minister by vote in this House except on matters of obvious confidence, like a budget. If our capacity to defeat a Prime Minister is so limited, so is our capacity limited to control him by the

threat of defeat. As the chief minister, he is less bound by Treasury Board than any of his colleagues, and appointments to or by his office can be made without recourse to the Public Service Commission. His estimates are brought before the miscellaneous estimates committee. However, they are not dealt with there by him, but by a parliamentary secretary to another minister.

The Prime Minister reports to no standing committee and there is no statute to define his responsibilities. Ironically, parliament probably has less real control over the Prime Minister than we have over the president of Air Canada or the president of CNR, because a Crown corporation is established by statute while the Prime Minister's office is not, and its officials must appear regularly before standing committees while the Prime Minister's officials do not. No matter how loosely you define "responsible" government, parliament should have some direct control over the actions of its Prime Minister beyond his mere appearance for questions in the House. If that has been important in the past, I suggest it will be even more critical in the future, for reasons I will enumerate.

I believe the phrases I have read lay the groundwork for the consideration of the motion before us. There were four main points which the Leader of the Opposition brought out on that day, and I believe he did so most eloquently. Initiative, under our parliamentary system, lies with the cabinet. The conduct of public business and accountability for public business rests with the cabinet. Government itself is growing and, as a consequence, the powers of the Prime Minister appear to be growing to a corresponding degree.

The reform of our Standing Orders in 1969, and the way in which the revised rules have been used since that time both in this chamber and in the committees, have made it clear that the effect was to remove from backbenchers on both sides the right to scrutinize and, where necessary, to delay. In other words, the cabinet is no longer the servant of the House but the House has become the handmaiden of cabinet. This is particularly the case when there is a majority government, but the situation is notable even in a minority situation where one might think the effect would be minimal.

Consider the way in which access to television has affected the role of the Prime Minister. The House will recall that recently, on the occasion when the right hon. gentleman changed his mind and turned his back on what he had said earlier with regard to price controls, he spoke outside the House of Commons, away from the ministry, making the announcement directly over television. Other members of the cabinet have used television in similar circumstances. Notable, recently, was the way in which the budget was handled in terms of the dissemination of information to the public. The Prime Minister has access to television by virtue of his office. He has shown an ability to use this medium in a way which affects the operations of the House and in a manner beyond the capacity of any other member of the House, including those who sit with him around the cabinet table.

Then, again, the point was made that the Prime Minister really has a department of his own. That is exactly what the Privy Council office has become. It is a department whose power is contained only within limits set by the Prime Minister himself. It operates in the complete absence of scrutiny by parliament. This, in itself, makes the establishment of a committee of investigation, such as is proposed in the motion, an urgent matter. Comments have been made in the House from time to time concerning the right of the Prime Minister to control, through his office, access to television. My hon. friend from Halifax, the former leader of the official opposition has a bill on the order paper calling for the establishment of procedures which will permit other party leaders to have similar access to the media.

If the result of the imposition of television upon the parliamentary process is the one we have seen so far, then surely it is only fair that the Leader of the Opposition and other party leaders should have a similar right. I mentioned the Leader of the Opposition in particular because according to our precedents he is the leader of the alternative government. I hope I shall not be hurting the feelings of hon. members opposite if I say that backbench MPs on the government side are, under our system, largely dependent upon the personality and style of the Prime Minister for their influence, and that if MPs are, in the words of the Prime Minister, nobodies, then he has made them so as a result of the way in which he has used his office and the power in his hands. He is really the first among equals, as was traditionally the case. He has no equal when it comes to status within our parliamentary system.

● (1710)

Improvements in House procedures in the direction of greater accessibility to information would help government backbenchers as well as members of the opposition. If government backbenchers were able to take advantage of these improved procedures, perhaps they would have more credibility as critics than they have today, and the Prime Minister might be forced to listen to them. The fact of the matter is that, unlike the operation of the parliament of Westminster, backbenchers opposite sit mute and do not criticize the Prime Minister. I would ask any of my colleagues who have witnessed the House at Westminster in operation to compare the questions that are asked by government backbenchers of their own ministers with the kind of planted questions and the floating of questions that seem to characterize the operations of this House.

An hon. Member: We are not in such a bad way as you.

Mr. Baker (Grenville-Carleton): If the members of the opposition in this House of Commons, in terms of scrutinizing public business and public affairs and particularly the office of the Prime Minister, are in a bad way, then in view of the way the backbenchers on the government side are dependent upon this office, I suggest they are in a very bad way indeed.

It cannot be expected that the Prime Minister would voluntarily loosen his hold on the backbenchers and on the media. Therefore, I think it is time for us to consider at this point in our parliamentary life whether or not the role and office of the Prime Minister and his powers ought to be examined by a committee. It is time we considered the extent to which the power of parliament can be a check on the Prime Minister's office as well as on the operations of the Prime Minister himself. We do not have that opportunity now. There does not seem to be any willingness, in this House at least, for even a government backbencher to take on the Prime Minister in the House of Commons, and I find that most unusual.

An hon. Member: We do that in caucus.

Prime Minister's Office

Mr. Baker (Grenville-Carleton): They may say they speak to him in caucus, Mr. Speaker. If they honestly agree with every utterances of the Prime Minister both in this House of Commons and outside, if they can sit mute and agree completely that everything the Prime Minister does is beyond criticism by any backbencher, then I think they are not only affecting the life of this parliament but they are probably not representing the people who have sent them here.

Some hon. Members: Oh, oh.

Mr. Baker (Grenville-Carleton): I think I have touched a nerve, Mr. Speaker. If there is anything that underscores the necessity for an examination of the operation of the Prime Minister's office, it is the reaction I have just heard from hon. members opposite. Any Prime Minister, whether past, present or future, being a human being is subject to err. He is indeed subject to all the vicissitudes that affect our daily lives and is incapable of being right on every occasion. However, what strikes me about this parliament, Mr. Speaker, and the backbenchers opposite is that since I have come here I have never heard any criticism from them of the government in power.

Mr. Guay (St. Boniface): Thank the Lord you are not in our caucus.

Miss Bégin: You just do not know politics.

Mr. Baker (Grenville-Carleton): The hon. member who interjects says that I do not understand politics. What bothers me is their lack of concern about parliament.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): There is nothing more demeaning or degrading to a member of parliament than to sit mute when he or she knows something is being said which he or she does not agree with. I just cannot believe that on every occasion every one of the silent ones over on that side always agrees that the position that the government takes accords with the principles that they share. In other words, Mr. Speaker—

The Acting Speaker (Mr. Turner): Order, please. The hon. member for Lévis (Mr. Guay) is rising on a point of order.

[*Translation*]

Mr. Guay (Lévis): Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Turner): Order, please. The hon. member for Lévis on a point of order.

Mr. Guay (Lévis): Mr. Speaker, I have been listening to the opposition House leader. He seems to be attacking me personally, and this is why I rise on a point of order. This concerns me very deeply because if one wants to speak about the structure of a political party, it should be done quite openly without distorting the facts.

I remember that not too long ago, when I took part in the debate on the last budget, I aimed certain criticisms at the opposition. During my speech, I made some positive and constructive criticism of the budget, and this is what caused the press gallery and CBC reporters to ask me if I was against the budget. I said no. Unlike the opposition, I accept the budget as a whole, but I see things that could be added to it, constructive things, Mr. Speaker.

I do not know if what the opposition House leader (Mr. Baker) wants to suggest in this House is that a party should be divided like the opposition now is, and if we consider what happened after the leadership crisis—

[*English*]

The Acting Speaker (Mr. Turner): Order. I suggest to the hon. member for Lévis that that is a point for debate. The hon. member for Grenville-Carleton (Mr. Baker), I suggest, should return to the terms of motion No. 9.

Mr. Baker (Grenville-Carleton): That is exactly what I am doing, Mr. Speaker, but I do want to thank the hon. member for clearing that up. At least there is one member over who protests from time to time. Let me just say that the reaction we have just had underscores the point that I have been trying to impress upon hon. members opposite. I believe I am getting through to hon. members opposite when I say that this silent majority in parliament is the vehicle that has enhanced the power of the Prime Minister and his office. That is why, in the face of this silent majority, there ought to be an examination of the office and the operations of the Prime Minister.

Let me compare for a moment the office of the leader of the opposition with the office of the Prime Minister. The office of the leader of the opposition operates within certain financial constraints. The Prime Minister's office operates within no such financial limits.

Miss Bégin: It operates within electoral limits.

Mr. Baker (Grenville-Carleton): By contrast, the financial constraints on the office of the leader of the opposition are set by the internal economy commissioners of this parliament who, in effect—and this has been the whole point that the hon. member for Edmonton West (Mr. Lambert) has been making for a long time—are controlled by the cabinet, which means ultimately control by the Prime Minister. In other words, we now have within our system of operation a parallel public service, if you will, one which is not nearly as responsible—because it can choose its own terms of reference—as is our bureaucracy in terms of its operation and appointments. I think if members of the House will think about it, they will agree I am not trying to be partisan.

● (1720)

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Turner): Order, please. I regret to inform the hon. member that his allotted time has expired. He may continue with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Baker (Grenville-Carleton): Thank you very much. I appreciate the kindness of my friends, and I take it they are truly concerned about the operation of the office of that man who has them under such firm control.

What is happening here is that the powers of the office of the Prime Minister, the Privy Council office, have been growing to a much greater extent than have the powers of any other office of this institution and, I suggest to you, greater than the powers of the institution itself as those powers have been delineated and lessened by rule changes. The powers of that office have also been growing to a greater extent than even the bureaucracy that is appointed under certain rules. As a result, there has been an intrusion into the field generally occupied by the bureaucracy to an extent that is not healthy in our system. That is really the point of my speech.

I hope members on the other side will not stand up and argue the principle that from time to time we ought to take a look at institutions that flow from the new circumstances of our times, because this is what is happening in parliament and this is what is happening to the Prime Minister's office. The motion is sound and the time has come for an examination and an assessment of how far these powers ought to be allowed to grow and under what control they ought to be placed, either political or financial. We must discuss what mechanisms we can hopefully agree upon to arrive at a proper balance within our modern parliamentary system.

May I just say, in conclusion, that it becomes even more important to us, as members of parliament, in a period of time when bureaucracy is growing to such an extent that our access to information becomes less and less, that the motion of the Leader of the Opposition—or the hon. member for Rocky Mountain as he then was—be considered in light of what has been put forward, accepted and apparently agreed upon in principle by the government in respect of this whole matter of freedom of information.

We have to examine this intrusion into the parliamentary and bureaucratic balance and the growth of this office, just as we must examine the whole question of the right of each member of parliament to access to information. That was the point of the member for Rocky Mountain and I commend the principle of that resolution and of this resolution to the House of Commons.

[*Translation*]

Mr. Claude-André Lachance (Lafontaine-Rosemont): Mr. Speaker, I would not want to leave the hon. member for Grenville-Carleton (Mr. Baker) under the impression that I waited after his speech to speak, because I intended to do so in any event.

Mr. Speaker, it is fortunate that the hon. Leader of the Opposition (Mr. Clark) gave us by his motion the opportunity to reassess an important aspect of the Canadian government process, in this instance the office of the right hon. Prime Minister.

Indeed, that very process underwent profound changes in the last fifteen years and it is vital to recognize the critical development of its growth and emphasize its underlying patterns, particularly in the light of the harsh criticisms arising there from.

Public administration in Canada is a very vast area of which political power is but a part, the legislative power being one of the two main components, that is Parliament on the one hand and the executive power on the other.

With this debate on the office of the Prime Minister and its prerogatives it is the whole matter of the responsibility of the executive before the House of Commons and consequently the means made available to the elected representatives to exercise effectively and intelligently that very control that is being questioned. There is talk about it periodically, and the matter itself is not new.

However, none of the hon. members who spoke before me it seems has yet explained the very operation of the office of the Prime Minister nor brought to light its structure and components. In fact, the office of the Prime Minister is not a new concept, its present size and influence being the main source of the many criticisms, sometimes warranted, most often unwarranted, voiced by elected representatives in the last few years out of spite, impatience or frustation.

It is not my intention here to open the file of the lack of information available to partiamentarians, nor to criticize the procedure used in our deliberations. May I simply say that there is a deep feeling of uneasiness which is reflected by the impatience directed towards the executive and its head.

To explain the enlarged staff of the Prime Minister's office, one must understand once again that for about ten years the whole governmental system has been suffering from an acute crisis of gigantism which results from a change in the philosophy on the role of the state and from a serious questioning of the Keynesian neo-classical theory of economic mechanisms.

In short, let us simply point out that it is now obvious that the market is no longer self-regulating and that for the survival of our institutions and of our standard of living, it is now essential, even at the risk of being branded as interventionists, that the state take a more active part, sometimes very bluntly and aggressively, through monetary, fiscal or socialistic policies, to put private interests in line with those of the whole collectivity, and thus prevent the resource redistribution, dear to the defenders of the so-called classical economy, from becoming a lure.

● (1730)

Yet this increased interference resulted in the creation of new governmental or quasi-governmental organizations first aimed at informing the government on the tendencies and economic indicators and acting as a consultative body for the development of the necessary policies and regulations. On the other hand, within the departments, new orientations were developed when it was not whole new departments as those of Regional Economic Expansion, Manpower, Housing and Environment. So, we have seen the staff of the public service grow considerably to meet those new responsibilities and those new spheres of activity.

The Prime Minister is by definition—I should say by tradition—the one who must coordinate the legislative and executive activities of the government system and as such, he must stay in continuing communication with the departments through his ministers, with the provinces through the officials of the division of federal-provincial relationship, with Parliament through the House of Commons and last, with the public through information media.

Prime Minister's Office

It is a fact that the size and the influence of the Prime Minister's office have considerably increased since the accession to power of the present Prime Minister. I shall comment later the main effects of that boulimia but, first, it is important to understand that rather than to establish a parallel structure it was necessary to keep contact or try to keep contact and consequently to control the main structure. But to some extent, and at the risk of making unfounded statements, I shall say that the Prime Minister's office succeded better in that respect than ourselves the members of Parliament.

For some time, the public service has been accused of being tentacular, self-sufficient and syndromatically uncontrollable. I agree with that to some extent but I think there are good motives for its original impulsion as I said earlier and that practical considerations made it inflate itself like the frog in Lafontaine's fables.

In principle, it is Parliament's function to make sure that the public service is operating adequately. In practice, in the present circumstances and with the available means, the only person in a position to hold it back, on occasion, is the Prime Minister—through his influence more than through his real powers. Therefore, by necessity, the office of the Prime Minister has become a service organization having as a secondary but indispensable and important function an advisory function. There is every reason to applaud at this new trend: when one considers our inefficiency, that of the legislative, one must be glad that someone is controlling the monster the public service has become.

The motion of the hon. leader of the opposition asks that we set up a special committee to examine the role and influence of the office of the Prime Minister with regard to Parliament's right to scrutinize and criticize the executive. In fact, the extent of the powers, I should say the influence of the office of the Prime Minister is already known. That influence results from the necessities of daily life, from those of the changing public administration, from the Prime Minister himself assuming the powers of control and supervision over the government machinery, powers which he already had under the Constitution, but had never been exercised to their full extent. In short, it does not stem so much from the preparation of a putsch, as has often been suggested, but rather from the daily necessities of administration. My concerns are not, a priori, in respect of that, for the executive must administer, and so much the better if it finds the tools to do so.

But where does Parliament come into the picture? Is the House of Commons really losing some of its influence, some of its powers? And at a higher level, could we go so far as to say that at this time of exponential acceleration of changes in values and accepted ideas, the British parliamentary system, which can be described as traditional and rigorous, is no longer capable of adapting to new conditions to meet effectively the needs of a modern state? This is indeed where the question lies. Does our system still answer our needs today, as it is, and has always been, without change, without major adjustment, without a will to progress?

The Prime Minister is still responsible before his elected peers, the cabinet is still collectively accountable before the legislative body, but are we, as parliamentarians, in a position to make a judgement on the activities of the executive that would be well-informed and exact? My answer is no. Without trying to analyse the rights and wrongs of our system, which has certainly rendered great services in the past, and has even demonstrated on occasion an extraordinary versatility, and has even been the guardian of democracy which we all cherish, our dear good old system has grown old and will have to undergo a serious lifting to show a new and acceptable look.

Instead of studying the prerogatives of the Prime Minister's office, we should rather take a look at ourselves, make a serious self-examination. To me, the very principle of ministerial responsibility is partly gone because it deprives the House of Commons of the very power it is supposed to wield, the sanction of the legislative or administrative measures taken by the executive. Except in some extraordinary circumstance, or in case of some never-heard-of crisis, government members will very unlikely take the risk of bringing the government down, except, as I said, in case of some essential question, or if the representatives, for serious personal reasons, cannot approve the position of their party, as expressed by the bills introduced by the cabinet, and which bind them, as they bind in their favour the government members, and as they bind the opposition members.

The party line is a gaping wound in and otherwise healthy body and I am surprised that few people have not seriously questioned it yet or have not proposed its mere abolition. There should only subsist, occasionally and in very special circumstances, what is usually called non-confidence votes, whereas all the members should interest themselves in the existence of the government and be able to judge in conditions similar to those that prevail today in all divisions. Abandoning the party line would give more value to the primary function we are supposed to hold in system of government, that of a law-making body, a role which has been disguised and which does not mean a word in the present situation. We should underline that, according to the fact, it is no longer sure that, since the precedent of 1967, the government can be brought down otherwise than with a non-confidence vote, but the threat still remains and prevents the members from acting according to their own conscience. Parliament has become a moral sanction for the actions of a small group, a moral sanction which abides by the necessity of politics and not by judgement and reason. This same little group is the instrument of a bigger administrative system, an arrogant and self-satisfied machinery.

I do not necessarily advocate some republican system as in the United States where the president freely choses his ministers and advisors without taking into account the contingencies of an election, although it would however be very fortunate, at times, to have the necessary flexibility so that the Prime Minister could bring into his cabinet a non-elected person, some authority in a particular area, when this authority is not available "on the bench". The present sacrosanct principle of ministerial responsibility is fiercely against it, but by substituting to it another type of real responsibilities through votes of non confidence against the Prime Minister, such impediment is thus removed as well as the attendant sclerosis.

The decision which must or will have to be taken one day or another will be whether the legislation is really a public responsibility or that of the government which approves it through a minister who introduces it as the consequence of a partisan policy but not a necessarily valid one of the party in power whose members are bound by a context of penalties and rewards, the carrot and stick, but this is much more serious by the fear of suddenly plunging the country in the confusion of some general election. The opposition should not rejoice too loudly, because it is the victim of the same restraints, but in the opposite way and cannot have a good laugh at this deplorable situation.

I foresee the day when all members of this House—and that applies as well as to the opposition members as to the government members—may be able without fear of reprisals and especially without fear of harmful effects for the state's stability, to decide in all conscience of the intrinsic value of bills brought in through the executive or otherwise. Either we are idiots without any professional conscience, any competence, real idiots then! If we continue to act as puppets, I see absolutely no use for this institution, except to save appearances and to constitue a feed tank for ambition. Either we change the spirit that is prevailing here but not only the spirit but the game's rule as well, then we will see appear the very reason for our being here, for what we are fighting for relentlessly: democracy. We will represent the people and we will act as adults and responsible people.

In conclusion, Mr. Speaker, in principle—and until I am given proof to the contrary, which has not been done yet—I have as much confidence in the 264 elected representatives now present, in their efficiency and their sense of duty, as in the administration where anonymity prevails and which does not have to give any account to anyone, in spite of appearances, because we must always save appearances.

[*English*]

Mr. George Baker (Parliamentary Secretary to Minister of Fisheries): Mr. Speaker, I might say, in response to the hon, member for Grenville-Carleton (Mr. Baker), that he is absolutely correct that it is the custom of the British House to recognize the backbencher, just as it is the custom of this House to have this party govern and that party stay in opposition.

Some hon. Members: Hear, hear!

Mr. Baker (Gander-Twillingate): First of all, I see some irony in the request contained in the resolution before us. The hon. member for Rocky Mountain (Mr. Clark), in his introduction to this resolution, as recorded at page 2071 of *Hansard*, the same page as was quoted by the hon. member for Grenville-Carleton, stated the following:

> ... the powers of the Prime Minister should not be developed or exercised in isolation but must be set in a federal parliamentary context and be subject to detailed and regular parliamentary scrutiny. There is no such scrutiny today.

All I have heard from the opposition is that the Prime Minister (Mr. Trudeau) has not exercised the power that he should exercise. Certainly they say consistently that we are guilty of inaction—they say the Prime Minister is doing nothing—so to remain consistent they would have to confirm that this resolution asks us to examine nothing. But I accept the inevitable fact that the opposition is inconsistent. It is perhaps a consequence of their inability to attain power in this country.

● (1740)

Getting back to the main thrust of the resolution, it asks for another chapter to be added to the sessional book of parliamentary procedure. The opposition, and especially the hon. member for Rocky Mountain, is unhappy with the accountability of the Prime Minister during question period, the most free wheeling, helter skelter free for all of any question period under the British parliamentary system. Again it is ironic that the track record of this Prime Minister in attendance during question period puts many hon. members on both sides of the House to shame.

Some hon. Members: Hear, hear!

Mr. Baker (Gander-Twillingate): The hon. member for Rocky Mountain, now elevated to the position of Leader of the Opposition, prefers at times not to be here during question period. He is out on the hustings, meeting the people, talking to party people. That is the supposed intention of his action. He is probably right not to be here to examine the Prime Minister's powers, but this is certainly not consistent with this resolution.

The question period itself is the most liberal of all mechanisms we have. If this parliament were to follow the lead of other parliaments, this free, open questioning would not take place. It remains the most prized period for visitations by the public and the press, and perhaps that is the way it should remain. That is a matter of judgment. The press is the most important outside element of this Chamber, and this system of question period we have provides an opportunity to cover accountability in action.

I rather prefer the British system, and I know that here the greats minds in this House would disagree. Under the British system they give notice of all questions and have designated days on which ministers appear. Apart from accepted methods used to hide the real question I believe it would give opposition members and the press more meat in the answers. What has happened to question period by custom over the past couple of decades is precisely what this motion suggests. Beauchesne, if it were followed to the letter, would have most of the questions ruled out of order. Let us examine the guidelines and rules of question period as they appear in Beauchesne and in Erskine May's and discover where custom has brought us recently.

Mr. Paproski: You shouldn't criticize Mr. Speaker.

Mr. Baker (Gander-Twillingate): I am note criticizing Mr. Speaker or anyone else.

Ours must be the most lively question period of any parliamentary body in the world.

A government is elected to govern, and that is what the word means. The members of the opposition lost their chance to govern in the preceding election. Parliament is a place to speak, but a government must govern. The government was given that right by the people. The legislature, the word commonly used which refers to such bodies, examines and debates legislation brought in by the government, not by the opposition.

Our parliament remains, but the hon. gentleman asks that parliament be permitted to add to its duties by fully examining the office of the Prime Minister. Let us consider what is being asked. I agree that parliament should be able, if it is possible, to examine everything which is done by the government. I suggest to the hon. member, however, that he is putting the cart before the horse. First we should be examining parliament itself and the priorities and functions of this Chamber, and then perhaps his request would be granted in another way, or in the form he obviously prefers. He says that the question period is no good for his purposes, and I am sure that the cabinet ministers would agree.

This Chamber, quite frankly, is a rather unworkable entity in 1976. The hon. gentleman's motion attempts to aggravate an already overworked system of parliamentary procedure which should be swept into the ash can of history.

What is wrong with second reading committees? The hon. member for Grenville-Carleton referred to the British system. I will tell him something about the British system. I visited there with him. What is wrong with committees being able to initiate their own terms of reference, and what is so wrong about committees being able of their own volition to examine the real problems confronting this nation? In our protective and isolated manner we refuse to appoint outside experts to suggest a new role for this Chamber, as has been done under the British system.

The hon. member for Rocky Mountain asks for a regimented, structured procedure to examine the actions of the Prime Minister. He did not suggest anywhere in his address opening this debate that parliament is already bogged down.

It is my contention that this parliament examines the role, the powers, and the actions of the Prime Minister as completely as any parliament in the world. Because of the freedom exercised by the Chair during question period—which I am not questioning—hon. members of the opposition have a field day. That is good. It is good to have the opportunity every day for ten months of the year to grill the Prime Minister. Any member can ask questions, any number of questions is allowed, and questioners have a chance to become overnight heroes if they have done their homework, or overnight national flops if they have not.

There is a duty incumbent not only on the government side but also on the opposition side to keep things in perspective. The hon. member for Rocky Mountain, in a roundabout way, alluded to this. There are energies and money being expended in this Chamber and it is important to keep things in perspective. Canada is not just Ottawa, Toronto, Montreal or Vancouver; Canada is Canada, and Canada's problems are many and diverse. It is important always to keep that in mind.

Habitat may have adopted a role in world-wide ventures and considerations. It is fine to say that Canada is a rich nation and that Canada has to distribute its wealth around the world, but it is interesting to note that participants from all over the world were told in a pre-conference agenda to visit my riding first. With unemployment at nearly 30 per cent most of the year, the lowest provincial welfare payments in Canada, and a high cost of living, it is important to keep in mind that a chain is only as strong as its weakest link. So it is with this parliament; if we add to our present cumbersome list of activities, we will go nowhere.

I said earlier that the opposition has as great a role to play as anyone else in defining our direction. I call on the hon. member for Rocky Mountain to demand a completely new set of procedures for this Chamber and not to burden it further. I also ask him to try to be here every day with the Prime Minister during question period.

Some hon. Members: Hear, hear!

Mr. Baker (Gander-Twillingate): I predict that the introduction of television into this Chamber will accomplish many things. All hon. members will be in place, and then the question which will be asked by the public will be. "Is that all there is to the House of Commons?" Of course if it is during question period people will say of government backbenchers, "Where are they?" Then and only then will we be forced into adopting another procedure of the British House, out of context. Backbenchers here will be standing up, and the Chair will have to do what is done in Britain: recognize first on the left, then on the right, and back and forth.

Some hon. Members: Hear, hear!

Mr. Baker (Gander-Twillingate): Then the great tool of the question period will be gone for the opposition and that is what this motion wants to maintain, and perhaps it should be maintained, if we do not change everything else.

I said "taken out of context" because the system in Britain goes hand in hand with other procedures—designated days for ministers and a whole system of select and special committees, which we do not have.

● (1750)

I say that the priorities of this House have nothing to do with when the Prime Minister last had a bath, nothing to do with who or who has not a driver's licence, and not even with the accepted procedure in this country under which the opposition tries to discredit the government on issues which have nothing to do with the problems of the country.

All hon. members know of the lack of opportunity in certain parts of the country; they all know that all Canadians are not equal, and they all know about the real problems of unemployment, pollution, and cost of living. I have great respect for the hon. member for Rocky Mountain for moving many amendments connected with the Contaminants Act which was passed during the present session. Mr. Speaker, I ask him to return to that constructive direction and not to be diverted by the immaterial and obviously subordinate information which could be gained from that great time waster, a structured look at our present great Prime Minister.

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, for a moment I was afraid I would not be given the chance to respond to the hon. member for Grenville-Carleton (Mr. Baker). I have nothing but praise for my two predecessors on this side of the House for the excellent way they spoke on this subject. My only regret is that the hon. member for Rocky Moun-

tain has already shown his disdain for backbenchers. He left when the House was debating a motion he introduced when he himself was a backbencher.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order. I do not want to suggest that the parliamentary secretary has gone beyond the bounds of good taste but he knows, I think, that the Leader of the Opposition (Mr. Clark) was present at the beginning of today's private members' hour, which is quite unusual.

An. hon. Member: But he left.

Mr. Baker (Grenville-Carleton): It is most unusual for the Leader of the Opposition to attend during private members' hour. I regret very much, of course, that the pressure of public business has kept the Prime Minister (Mr. Trudeau) away from the House. Frankly, on some occasions I think some hon. members ought to show more good taste than—

The Acting Speaker (Mr. Turner): Order, please. The hon. member has not raised a point of order but a point of debate. The parliamentary secretary has the floor.

Mr. Blais: Mr. Speaker, I wish the opposition House leader would not rise on points of order when so little debating time is left. His points of order usually are tenuous. As the hon. member for Gander-Twillingate (Mr. Baker) suggested, it is ironical that the Leader of the Opposition, having presented this motion when he was an ambitious young politician, now after having been chosen by his party—

Mr. Paproski: And the people of Canada.

Mr. Blais: —to be his party's leader, is unable to attend the debate.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. I wonder if there is any possibility of having the remaining portion of this hour devoted to a consideration of the motion before the House.

Mr. Paproski: It would be a good idea.

Mr. Baker (Grenville-Carleton): You are asking for too much, Stanley.

Mr. Blais: It would have been nice if the hon. member for Rocky Mountain had remained in the House to discuss this important matter. I and other hon. members would have appreciated knowing if he were still of the same mind as when he introduced this particular motion, or whether his experience as leader of his party has caused him to alter his perspective. I suggest that he made statements in his speech of December 9, 1974, which he may now regard as erroneous. For example he said, as reported at page 2072 of *Hansard* for that date:

> Without dwelling on them too long, I would suggest that certain other forces which traditionally have restrained a Prime Minister have been weakening recently. For example, we accept the notion without much evidence, that Canadian political parties control their leaders and, in particular, prevent them from the excesses we associate with Watergate.

Prime Minister's Office

I wonder if he is now of the view that his own party controls him or does he think he controls the party. I am thinking of the gumshoes hired to follow members of my party. Does he think that he is in control of his party, or does he think the party controls him?

Mr. Baker (Grenville-Carleton): Nonsense. You have some pretty thick gumshoes on your side.

Mr. Blais: The hon. member for Rocky Mountain went on to say:

> Parties do not behave in that way because they know that in attacking their leader they attack themselves. This is particularly true now that campaigns are so heavily influenced by national media and voting is more often for the personality of the leader than it is for the local candidate or a specific issue.

Is the hon. member still of the same view? Does he not think that his election represents the result of a popularity contest?

The hon. member for Rocky Mountain suggested that the Prime Minister's power is derived from television coverage. Is that not a passing strange position for one who has evidently nurtured the electronic media in order to enhance his own image? I wonder if the hon. member is still of the same view, that television enhances his power as leader of his party. I say to the hon. member for Grenville-Carleton that by introducing television in this House we could do away with many of the hon. member's concerns in this regard.

I suggest that the hon. member for Rocky Mountain would benefit if there were an increase in his staff. With additional staff he would be able to formulate policies which, so far, have not been formulated. What was the hon. member's position, when we were dealing with energy prices? He did not indicate his position.

Mr. Paproski: The people are behind our leader.

Mr. Baker (Grenville-Carleton): You should pay attention to what the Gallup poll says.

An hon. Member: Six o'clock.

The Acting Speaker (Mr. Turner): Order, please.

Mr. Paproski: Mr. Speaker, on a point of order—

The Acting Speaker (Mr. Turner): Order, please. The hour provided for the consideration of private members' business having expired, I do now leave the chair until eight o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Speaker: Order, please. Pursuant to order of the House made earlier this day the House will now revert to Routine Proceedings for the specific purpose of receiving statements by two ministers, the first statement by the Minister of Agriculture (Mr. Whelan) and the second by the minister responsible for the Canadian Wheat Board

(Mr. Lang). The hon. Minister of Agriculture (Mr. Whelan).

ROUTINE PROCEEDINGS

[*English*]

AGRICULTURE

STATEMENTS ON FEED GRAIN POLICY BY MINISTER OF AGRICULTURE AND BY MINISTER OF TRANSPORT

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, at this time I should like to make a joint announcement with my colleague, the minister responsible for the Canadian Wheat Board, concerning the government's domestic feed grain policy.

In May, 1974, we outlined a new domestic feed grain policy. The main objective of that policy is to encourage the growth of livestock and feed grain production across the country according to the natural potential of each region, and to have a fair pricing system for all Canadian feed grains.

This is still our objective. But we are making modifications to the policy in order to make it work more effectively. As some hon. members know, we have experienced some problems in domestic feed grain pricing during the past year. We want to avoid similar problems in the future. For that reason we are taking action to assure that domestic feed grains are available at corn-competitive prices. We are relocating part of our reserve stocks. We are changing rates of feed freight assistance to some parts of the country. And we are using some of the funds we had been putting into feed freight assistance to set up new programs to assist feed and livestock producers.

These new developments in our domestic feed grain policy will guarantee a dependable flow of western feed grain to the domestic market at competitive prices. They should also relieve any temporary shortages and disparities in regional markets. Our actions will benefit both eastern and western farmers. I know that eastern Canadian livestock producers will be pleased to have their feed grain supplies made more secure. And we are protecting the domestic feed grain market for our Canadian producers by ensuring that prices stay competitive with United States corn.

The minister responsible for the Wheat Board will explain what actions the Canadian Wheat Board will be taking to keep prices corn-competitive. I would like to fill in a few details for you on the other points.

Modifications in feed freight assistance rates will go into effect on August 1 of this year. In British Columbia the rates will be reduced by $4 per ton. In Ontario and western Quebec all rates of assistance of $6 per ton and less will be eliminated. Other rates in these areas will be adjusted accordingly.

Most of the rates in eastern Quebec and the rates in the Maritimes will not be changed. Livestock producers in these areas have a greater reliance on outside supplies of feed grains. Feed freight assistance will also be available—

[Mr. Speaker.]

I repeat, will also be available—on shipments of Ontario corn and wheat to the maritimes and eastern Quebec.

Because western grains are going to be available at corn-competitive prices I do not expect the reduction in feed freight assistance to increase feed grain prices in eastern Canada or British Columbia. Imported corn has and will continue to set the ceiling on feed grain prices in Canada.

We have informed the provincial agriculture departments in Quebec, Ontario, and British Columbia about these policy developments. And we have discussed with them setting up adjustment programs in areas where feed freight assistance has been reduced. During the next five years we will use the funds released from feed freight assistance to develop the feed and livestock industries in these provinces. To date we have not determined the actual locations and amounts for the re-allocation of domestic feed grain reserve stocks, but the Reserve Stock Management Committee will be moving stocks closer to feed grain deficient areas of the country.

If temporary regional or national shortages of feed grains are identified in the future by the Canadian Livestock Feed Board and the Canadian Wheat Board, import permits will be made available by the Wheat Board.

As a final check that our domestic feed grain policy is doing its job I will be monitoring the domestic feed grain market through the Canadian Livestock Feed Board. If there is evidence of bad pricing or supply practices in the market place, the Canadian Livestock Feed Board will be permitted to intervene directly in the market place should intervention be required to eliminate such practices.

Some hon. Members: Hear, hear!

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I would like to join my colleague, the Minister of Agriculture (Mr. Whelan), in reporting upon this change of policy and the further implementation of the feed grain policy as announced in the summer of 1974. With the announcement today of the partial change in feed grains assistance there is an accompanying indication by the Canadian Wheat Board that from August 1, 1976, it will be offering western feed grains to the domestic market at prices competitive with United States corn. The Canadian Wheat Board will offer grain at a daily flat base at Thunder Bay and western country elevator points. Prices at these points will be the Montreal corn-competitive price less transportation and handling costs.

The actual timing and technical nature of the change to this pricing structure between now and August 1 will be established through consultation between the Canadian Livestock Feed Board and the Canadian Wheat Board.

● (2010)

The opportunity for prairie producers to make direct non-board sales of western feed grains will continue. Board offers to the domestic market will help keep the market corn-competitive and preserve it for domestic grain producers.

As the Minister of Agriculture has indicated, we will be arranging the move forward closer to feed-grain deficient areas of the major portions of the reserve stock of feed

grains which was set up following the 1974 announcement with these arrangements, with feed grain available at corn-competitive prices, and with direct purchases from producers available when that is the desirable option, we have every optimism that the supply of feed grain in feed grain deficient areas will be cared for.

However, in order to reassure temporary situations, as the Minister of Agriculture has said, import permits will be made available by the Canadian Wheat Board when the Canadian Livestock Feed Board and the Canadian Wheat Board identify the need in that particular situation. This policy is a benefit to all of Canada because it allows for a continuation of the move in the policy set out in 1974 of the development of agricultural production in Canada according to the natural advantage. In those circumstances, as with free trade, it is not as though there always has to be a loser with a gainer. There can be net gainers on both sides by the additional production of goods in Canada, and a more economic way for the better of all. This, of course, is what our objective is in this as in other areas.

Mr. Benjamin: Mr. Speaker, I rise on a point of order. I do not have in front of me a copy of the statement which the minister in charge of the Canadian Wheat Board just made. I have a press release and a copy of the statement of the Minister of Agriculture (Mr. Whelan). As far as I can tell the minister read some sentences from the press release, but we do not have a copy of his full statement.

Mr. Lang: Mr. Speaker, I was indeed paraphrasing in speaking to the issue as I thought in this House it might be desirable. The gist of the material is in the statement which the hon. member for Regina-Lake Centre (Mr. Benjamin) has before him. It is all there in terms of the policy that is being announced. I was speaking to it.

Mr. Forrestall: Mr. Speaker, I rise on the same point of order. The not unprecedented practice of more than one minister rising to participate in one general announcement gives us some concern. Perhaps it is a matter of regret more than a point of order that the minister has not seen fit to join the press release and in the accompanying information that has been made available to members of the opposition with respect to this very important matter. This practice should not continue.

If Your Honour finds there is a point of order, it is that when this practice has been followed in the past it has been objected to by members of the opposition. I simply draw to Your Honour's attention that this is not a practice to which this House is accustomed. It does not permit members of the opposition to respond to the statements by both ministers in their different capacities, one responsible for transportation and the wheat board, and the other for agriculture. The point is that the government has had two spokesmen and we will be allowed only one. That is not in accord with the acceptable practices of this House.

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, I wish to thank the ministers involved for the courtesy which they have extended to us by forwarding copies at a relatively early hour. I particularly want to thank the Minister of Transport (Mr. Lang) for recognition of the fact that they did not arrive on schedule and his telephone call to offer his apologies for that. It was very considerate of him.

As I heard the two ministers talking I wondered whether the left hand does not trust the right hand when it gets behind the back. This certainly indicates to the people of Canada that agriculture is a divided industry and that the Government of Canada does not know whose responsibility it actually is. They want to play it safe.

I was rather confused and somewhat concerned as I read the statement of the Minister of Agriculture (Mr. Whelan). It should be recognized as classic "Whelanese" at its best. It had to be drawn from the lessons taught by Mackenzie King, so that he could say something which meant everything to everybody and nothing to anybody, and he could say anything he liked thereafter and agree with what he said earlier.

Some hon. Members: Hear, hear!

Mr. Whelan: That is the greatest compliment you have ever paid me.

Mr. McCain: This is going to be the decision of the Minister of Agriculture. It certainly leaves agriculture in a dilemma. They are not sure which way they are going nor from whence they have come after such a dialogue.

There is a very important aspect of this in so far as the Atlantic provinces are concerned. The recognition of the imperative requirement of the livestock industry of the Atlantic area by the revision of the feed grain subsidies is something which the Atlantic area feared might be overlooked by the Government of Canada to some degree. That has been left in place. I would be remiss in my duty if I did not point out that there has been no recognition of the erosion of the effectiveness of the feed-grain subsidy as it applies to the Atlantic area. May I give two quick examples.

When the initial concept of feed-grain subsidies was brought into place the disparity of cost in grains east of the Great Lakes was 50 cents per ton as you went from station to station throughout eastern Canada. That disparity has increased because the feed-grain subsidy has been frozen at its specific level. It has not taken up the increases in freight rates which have been added year after year.

The disparity in prices now at various points in eastern Canada on grains is $10 per ton. In the mill-feed sector, and this is an important requirement of the industry, the disparity in price from Thunder Bay to the extremities of eastern Canada is as much as $35 per ton. Therefore the value has eroded to a very large extent.

It has reached the point in the Atlantic area where the livestock and meat producing industry find that cost-wise in respect of production they are barely competitive with meats shipped from western Canada, particularly the Winnipeg area. They have been asking for an improvement in the structure by recognizing the increments in cost that are contained in the cost of other ingredients in the feed industry such as minerals, vitamins, and protein concentrates. To date this has not been recognized.

We ask that one of the two ministers give this consideration, whichever is responsible, and we are not quite sure who it is at this time. I ask that minister to take a cost

benefit and see just where the Atlantic provinces meat industry stands with regard to competition with other sectors of Canada. Has the grain subsidy in fact attained the objective for which it was intended, namely, to make the cost of meat production in the Atlantic area competitive with supplies from other areas of Canada?

At no time has Atlantic Canada asked that meat be produced there more cheaply than in other areas of Canada. However, it has asked that the subsidy allow it to be produced as cheaply there as in other areas of Canada and delivered to our markets. After all, we are a meat deficient area and we would like to encourage that industry.

I am concerned about that area of Canada from which this subsidy has been removed completely. As I understand it, any subsidy of less than $6 per ton will be gone as of August 1. Where does this leave the feeder in eastern Ontario and western Quebec? They are far from the sources of corn which is supposed to be the substitute for western grain as far as possible. They do have onerous freight charges to bear. They are in competition with other areas which are closer to feed sources. I believe the ministers should jointly reconsider this question. I note the minister's statement that he has discussed this statement with Ontario and Quebec, but he does not give us any indication of what those provinces said in reply to his proposals or what the effect is likely to be on the livestock-poultry industry in Eastern Ontario and Western Quebec vis-à-vis other areas of Canada.

● (2020)

I am puzzled about this nebulous something-or-other upon which the savings are to be spent by way of promoting the livestock industry in Ontario, Quebec, and British Columbia. The words are, as I understand it—"The savings shall be used for the development of the industry in those provinces." There are a multitude of ways in which this money might be used. It might be used, for example, to construct grain storage facilities at strategic points. But the phrase "development of" or "improvement of" applicable to the industry in those provinces is, indeed, nebulous.

What will be the effect on British Colombia? This is a subject on which I am not an expert. However, I submit that having regard to the support which the industry in that province has been receiving from its provincial government it can ill afford grain which will be more expensive than the grain it has been feeding to date. The statement contains no suggestions to the contrary, so perhaps the government of British Columbia can afford to chip in a little more.

The location of the reserves referred to in these statements is important. What is even more important is that these reserves of grain be available on demand to the feeder. In the past it has been government policy to place grain in position and in reserve. If an eastern feeder anywhere in eastern Canada required a car of grain which was not available it could be drawn from stocks at a particular point, but it had to be replaced by the buyer. This program was not usable in the main by eastern feeders because the replacement cost was under the control of the Wheat Board. It was not a case of drawing a car from Prescott and having it replaced in Thunder Bay or even at Prescott; it was a case of withdrawing a car from a point of reserve and paying the price determined by the Wheat Board for its replacement. Is there any cure for this? Will the minister, through the Canadian Livestock Feed Board, be able to eliminate the cost of drawing from reserves in particular locations? The seller should be able to negotiate with the Wheat Board directly at no cost for withdrawal from reserves.

Will Wheat Board permits be available on call in emergency, or only after cutting through a great deal of red tape? I realize that the minister's remarks were very brief. Perhaps had they been longer and more detailed it would have been easier to make a short reply. But the indirect and oblique approach taken to this subject makes it difficult to reply except by asking questions and being somewhat critical.

There is one notable omission from this statement. During the election campaign of 1974 the Minister of Transport, or the minister responsible for the Wheat Board—I am not sure in which capacity he has spoken tonight—promised there would be a recognition of the inequities which exist in the meat industry of western Canada with respect to transportation costs. Every agriculturalist in Canada was expecting that this statement tonight by the associated ministers would cover that item. The undertaking was initially denied, but on January 28, 1975, if my memory serves me correctly, in response to the hon. member for Vegreville (Mr. Mazankowski) it was acknowledged that this had been an election promise and the undertaking was made, and that a statement would be forthcoming in the future. A year and several months have passed since that date. A statement has been made and this aspect has not been touched upon. The trading policies of the government have treated the industry in a cavalier manner. Trade with the United States has been difficult. We have put up artificial barriers which have been countered with further artificial barriers.

Mr. Speaker: Order. I hesitate to interrupt the hon. member but the time used by the two ministers combined was about seven minutes. The hon. member has already been speaking for ten minutes and if he were allowed to continue a few minutes longer he would double their time. Bearing in mind, also, that we are to hear two other speakers on the same subject I should have to ask him to conclude briefly.

Mr. McCain: I respect your ruling, Mr. Speaker, and will sum up shortly. We are tinkering with a very important industry—the grain industry and the feed industry. We are not being specific. We are not being direct except in certain respects, and for some of those things we are grateful. But there are some areas which will suffer and others which will benefit. There are aspects to which greater attention must be paid. I would ask the two hon. gentlemen who have made statements to keep in mind the requirements which still exist. A total policy should now be brought forward, one which would result in complete equity for the grain and meat business in Canada.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I was hoping that when the minister in charge of the Wheat Board rose tonight he would at least have had the

grace to blush. With this announcement he is admitting through the Minister of Agriculture (Mr. Whelan) that his feed grain policy of May, 1974, is a total failure.

An hon. Member: Nonsense!

Mr. Benjamin: The Canadian Wheat Board has always been ready to maintain access of western barley and other feed grains into the eastern market. It has been to the advantage of western grain producers to stay in the eastern market. But now, if I read the statement correctly, feed grain prices to western grain producers are to be reduced by the amount of reduction in feed freight assistance. In effect the announcement means lower incomes for western grain producers. That would be bad enough, but with these lower returns to feed grain producers there are no guarantees of any kind for the producers.

The minister has been horsing around for two years and now he has turned full circle. He is back in the court of the Canadian Wheat Board. The Board will be required to offer feed grains at prices competitive with those of U.S. corn and feed grain, and I would like to know what effect that will have on the bargaining position of the Board. If they have an export market available at 20, 30 or 40 cents a bushel more for barley, the Board's capacity to sell will be limited by the amount they are required to hold in reserve to maintain prices competitive with U.S. corn. That in turn will mean either lower feed grain prices on export markets for some portion of the Wheat Board's product, or it could mean lower export sales because we are holding back bushels at U.S. government competitive prices. If the Wheat Board is subject to the Livestock Feed Board the board will also have to supply the prairie market and the B.C. market with feed grains.

● (2030)

I should like an explanation either from the Minister of Agriculture or the minister in charge of the Canadian Wheat Board as to how much, if any, U.S. corn moves into British Columbia, and what relationship there is between the barley price and the U.S. corn price in British Columbia, or in southern Alberta for that matter. I suggest there is none whatsoever. Any feeder is entitled to call on the Canadian Wheat Board for corn at competitive prices, which usually means lower prices for western Canadian grain.

The minister in charge of the Wheat Board has fooled around with feed grains on the open market and on the commodity exchange for the last two years. Since he is putting the Wheat Board in this position he has to admit that the open market for feed grains has been a total failure. My question to the minister, which if he does not answer soon I hope he will answer later, is this: why do we need an open market and commodity exchange in light of the joint announcement of himself and the Minister of Agriculture?

It seems to me that the eastern feed grains market takes whatever it requires from local markets on the prairies, and British Columbia now takes priority for what is required over the export market. The Canadian Wheat Board is required to hold and maintain its stocks.

Let me make another point. What is meant by the relocation of these reserves? Is the Canadian Wheat Board now going to be required to hold stocks in Halifax, St. John's, Montreal, Prescott, and Port Colborne, at U.S. corn prices? We would like to know. In a short year for U.S. corn the Canadian Wheat Board must provide buffer stocks. If that is the case, when are the Minister of Agriculture and the minister in charge of the Canadian Wheat Board going to get rid of the commodity market, since it is obviously not working? The western grain producers are being made responsible for feed grain supplies. What now about a guaranteed price for feed grains? If the Wheat Board is going to be required to guarantee reserve stocks which will be relocated somewhere, what about a guaranteed price? According to these two ministers they are now subject to the whims of the U.S. corn market, which I submit will be of no benefit to the consumers of meat and of very little benefit to the feeders in the Atlantic provinces, Quebec, Ontario, and British Columbia.

I am also wondering what are the government's plans regarding the eight cent per bushel tariff on U.S. corn that is presently in existence. Will the government give that up? If so, what will it get in return? If the Minister of Agriculture does look a little paunchy I wish he would not start reaching for Santa Claus clothes. I think it is a mistake to require the Canadian Wheat Board to hold reserves. If they are the marketing agency, then let them market. They have responsibility for marketing, so let the Canadian Wheat Board do the marketing in all of Canada.

In conclusion, we feel that what we really need is a Canadian grains board that is the governing body over grains from the Pacific to the Atlantic ocean. Prices, from the producer of feed grains to the consumer of feed grains, should be negotiated and agreed upon as between one end of the country and the other. We do not need a commodities exchange and open market. In fact a Canadian grains board, as and when we cannot meet our own needs for barley, oats and other feed grains, would do the purchasing of U.S. corn at the best possible price. The cost of feed grain would be pooled among the users of feed grain. Yet these people opposite have the imagination of a door knob; they keep clinging to nineteenth century concepts even when these concepts have not worked for two years.

As I have said, Mr. Speaker, the minister in charge of the Canadian Wheat Board has been fooling around with feed grains on the open market, but he has not retreated. He did not say so tonight; he had the Minister of Agriculture get up and say it for him. This concept has not worked and it will not work. We should like to have a lot more detailed explanation about this from the minister in the days to come.

We want to know what is meant by the relocation of reserve stocks. We want to know what effect this will have on feed prices to western grain producers under the feed freight assistance rates. We would like to know what are the government's intentions as to the involvement of the so-called open and free market now that the Canadian Wheat Board has been delegated additional responsibilities that have nothing to do with marketing but with reserve stocks at U.S. corn-competitive prices. We will be interested in hearing from the government on those points.

Mr. R. E. McKinley (Huron-Middlesex): Mr. Speaker, I should like to ask the Minister of Agriculture a question. Does this statement mean that finally we will get some

assistance to provide the long awaited additional terminal facilities for the storage of corn in southwestern Ontario, close to the minister's home area, or shall I have to ask the minister in charge of the Canadian Wheat Board whether he would allow that?

Mr. Whelan: Mr. Speaker, I hope an announcement will be made shortly regarding the grain storage program that has been talked about for several months. I am sure the hon. member knows there is more interest in that area than just a grain storage depot; there is a whole agricultural complex to be developed in that great part of southwestern Ontario.

Mr. Gordon Towers (Red Deer): Mr. Speaker, I am wondering whether the minister in charge of the Canadian Wheat Board will state whether or not there will be any compulsion to sell grain from the Wheat Board. Are they going to be forced to compete with the market, or will they have a choice?

Mr. Lang: Mr. Speaker, as the statement indicates, I have reported the agreement of the Canadian Wheat Board to sell on this basis. They are therefore prepared to give the assurance, so there is no doubt about it, that there will be daily flat pricing of barley and other feed grains for the domestic market at Thunder Bay on a basis equivalent to bringing the grain to Montreal at corn-competitive prices.

Mr. Towers: The minister did not answer my question. If they see fit to sell this grain at some other place and corn is available in the United States, will they be forced to put the grain on the market at competitive prices, or not?

Mr. Lang: The corn-competitive offering really means that it will be close enough to the corn price, and it will depend on the particular needs of the moment in the area concerned whether or not American corn, Ontario corn, or western feed grains are taken. The Wheat Board will be offering, but whether anything is taken or not will be a matter for bargaining.

Mr. Towers: I have a final supplementary question, Mr. Speaker. The minister said that the Wheat Board will be offering. What will happen if the Wheat Board chooses not to offer?

Mr. Lang: Mr. Speaker, they have indicated that they will choose to offer. They have so indicated in order to give an assurance to those who might otherwise be concerned about supply. In fact this really only confirms something that has been a policy of long standing, namely, that the Canadian Wheat Board will always protect domestic supply in the sense of not exporting if they leave themselves short. I am surprised that the hon. member for Regina-Lake Centre (Mr. Benjamin) suggested that any other policy was the case. The Wheat Board has always protected Canadian supply and it has no authority to make any change in that policy.

[*Translation*]

Mr. Clermont: Mr. Speaker, some of my colleagues from the province of Quebec may be wondering whether their region will be affected. As far as I am concerned, I am sure of it because western Quebec is mentioned in the press release and I am very surprised that the government has not waited for another review of its freight rates policy. Both ministers have announced they have informed the Quebec, Ontario and British Columbia representatives of this policy, and for the next five years the amounts saved will be spent on livestock and feeds in those areas which will be affected by the removal of transportation subsidies. Mr. Speaker, has the Minister of Agriculture (Mr. Whelan) a specific program, or is it a study and the program would soon be brought forward, I would be very interested to know whether there is at present a program to assist those regions that will no longer benefit from subsidies to transportation?

[Mr. McKinley.]

● (2040)

[*English*]

Mr. Whelan: Mr. Speaker, a program will be announced I think before August 1. We have done a lot of work on it and have discussed this kind of program with the provinces. The areas that are basically affected are these: the $6 comes off Quebec City at Montreal; Rimouski has a slight reduction to avoid backhaul; there is no reduction in the Gaspé or the Maritimes, and there is no reduction in the Lac-Saint-Jean area of Quebec. We will be publishing a complete detailed form of this within the next couple of days showing exactly how it affects the areas of Quebec that we call western Quebec.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, recently the Canadian Livestock Feed Board suggested that it be given the power to buy and sell so it could establish a price in eastern Canada which the farmer has to pay for the grain. I should like to ask the minister whether he contemplates a seat on the grain exchange for the Canadian Livestock Feed Board in order that it can purchase directly from the market?

Mr. Whelan: Mr. Speaker, in my statement I said if there is evidence of bad pricing or bad supply practices in the market place the Canadian Livestock Feed Board will be permitted to intervene directly in the market, if required, to eliminate such practices.

Mr. Peters: One of the reasons why this problem has developed has not been the shortage of supply but the inability of the board to get into a large enough position to supply the market because brokers would not buy early enough to put the grain into the elevators in eastern Canada. What has been done to ensure the farmer that even if we do have additional storage inland in eastern Canada the supplies will be put into position in the elevators by the brokers?

Mr. Whelan: Mr. Speaker, I think we recognize that problem in the very fact that we say the grain will be supplied and priced at the competitive Chicago price. We say also that if supplies are not available import permits will be issued for grain if they can find these supplies someplace else. I repeat what I just said, that if there is bad pricing we will allow the Canadian Livestock Feed Board to operate in the market.

Mr. Peters: Mr. Speaker, the minister indicated there are to be additional facilities provided under the present system. Mainly we use national harbours, but some other

government agencies have elevator space in eastern Canada. Is it the intention to have the new elevator space in eastern Canada under the Canadian Livestock Feed Board, built by them, licensed by them, and operated by them, or how is it anticipated that this storage space will be put into effect? The government is really not going to make any savings if we do not bring grain into eastern Canada by boat, but somebody has to have control and I am wondering if it is to be the feed grain agency.

Mr. Lang: Mr. Speaker, feed reserves come under a joint committee made up of various representatives of government agencies, under the chairmanship of the Canadian Livestock Feed Board, and that committee will make recommendations to us in respect of the allocation of stock. A certain small part of the stock is now lying in Halifax, but the balance has been at Thunder Bay. The intention would be to place this in whatever elevators seemed more desirable for moving the supply between these two points.

[*Translation*]

Mr. Clermont: Mr. Speaker, the Minister of Agriculture (Mr. Whelan) said that in some cases, as regards supply and prices, the Canadian Feed Board would have authority to intervene. In what way, Mr. Speaker, would the Canadian Feed Board have such authority? With additional funds.? And if the board asks for import permits from the Canadian Wheat Board and the latter say no, which board will take the decision?

[*English*]

Mr. Whelan: Mr. Speaker, I think part of that was just answered in that the Canadian Livestock Feed Board will be involved. If they cannot find ample supplies and there is nothing priced at the proper price the board will be given the authority to enter the market and, if necessary, enter the market outside Canada, which will then require permits to bring the grain back to Canada. Naturally it will be funded by the government in order to be able to do so.

[*Translation*]

Mr. Clermont: I have a supplementary.

Mr. Speaker, I asked the following question to the Minister of Agriculture: If the Canadian Feed Board asks for import permits from the Canadian Wheat Board, if the latter rejects its application, will the government intervene either through the minister responsible for the Canadian Wheat Board or through the minister who is responsible for the Canadian Feed Board?

[*English*]

Mr. Whelan: Mr. Speaker, the government has the authority under the act. That board operates by order in council, and that is the authority under which it would do so.

Mr. McCain: Mr. Speaker, I should like to direct a question to whichever minister would choose to answer. As I mentioned earlier, the cost of drawing from reserves by eastern feeders was prohibitive. As a result they were transferring grain within regions rather than drawing from reserves supposedly in place. Will that prohibitive cost of drawing from reserves be eliminated and, if so, how will it be done?

Mr. Lang: Mr. Speaker, the rules in relation to feed reserves are carefully set out and are available. It is not our intention that reserves should be drawn upon at any particular moment for no particular reason, because that would interfere with the ordinary placing of stocks into place by those who had the foresight and responsibility to do so. It is, therefore, not considered to be a simple draw-upon with regard to transportation costs, but rather taking them into account in emergencies when stock is available with, of course, a proper accounting for the forward cost of freight.

Mr. McCain: Mr. Speaker, I think the minister missed the point of my question. When they found themselves in an emergency position, as I stated in earlier remarks, and had to go to that reserve, the expense was very, very high because of the replacement cost imposed upon them by the Wheat Board or any other replacement agency that might be involved.

Mr. Lang: Mr. Speaker, I am afraid the hon. member is confusing the ordinary reserves which the Wheat Board had held in position for export, in which case, when it had to replace those reserves, the real cost to them of replacing them had to be taken into account or it would have been a switch completely at the expense of western grain producers. We are now meeting that problem by establishing a reserve which would be available for the domestic market at domestic prices. That problem in respect of previous switching before we had the reserve arose because the price of that grain was really to be applied at the export price and not at the lower domestic price. At this point in time a switch available at the domestic price will be possible with this reserve in place, as it has been for the past year and a half at Thunder Bay.

[*Translation*]

Mr. Eudore Allard (Rimouski): Mr. Speaker, I would like to direct my question to the Minister of Agriculture. Would the hon. gentleman be able to inform the House of the rate of subsidies for the Rimouski area?

[*English*]

Mr. Whelan: Mr. Speaker, it would take quite a lengthy time to explain what I meant by "backhaul", but it covers the cost of feed at Rimouski because of a backhaul. It will not be the full $6 reduction. This will be outlined in the paper in the next day or two.

[*Translation*]

Mr. Charles Lapointe (Charlevoix): Mr. Speaker, I appreciate the generosity of our two ministers who have maintained part of the subsidies for Gaspesia as it is one area in Quebec which does not produce fodder or livestock.

In view of the fact that starting in August, the subsidies will be discontinued, which will result in an increase of some $6 a ton for feed grains which means $2 more for pork and almost 75 for each chicken, I would like to ask the minister if he is considering setting up a specific program to assist the Ontario and western Quebec cattle raisers?

● (2050)

[*English*]

Mr. Whelan: Mr. Speaker, if the price of grains stayed at the same price as the Chicago corn price there would be a saving to the Gaspé producer who uses western grain of approximately $14 a ton and maybe more, so the $6 would be insignificant. The dairy producer producing dairy products and the poultry producer producing poultry under the present prices would find that the grain they buy would be one of the main input costs they would have to contend with in producing those products, and this would be to their advantage.

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, we have just heard that freight rate assistance on feed grains will be reduced or eliminated and we will have a corn-competitive price. No one said anything about the delivered price. We all know that—

Mr. Speaker: The hon. member is giving a good imitation of someone making a response on behalf of his party. He is supposed to ask a question. Could he do so now?

Mr. Whittaker: Thank you, Mr. Speaker. The freight in U.S. haulers is cheaper than in Canada. I put this question to the Minister of Transport. Will this be the delivered price or is the difference in the freight rate of U.S. corn producers to be absorbed by the producers of grain in western Canada, in British Columbia, in Montreal, or especially in the Atlantic provinces?

Mr. Lang: When the Wheat Board is selling corn at the competitive price in Montreal the price is then quoted in terms of Thunder Bay, which of course will be the Montreal competitive price less freight. This really means that with feed freight assistance gone in Montreal, the price at Thunder Bay for those who want to feed animals west of there will indeed be $6 a ton lower by the equivalent amount. This tends to mean that the same basis will be used in bringing that grain into grain deficient areas in British Columbia where the lower base price will be the price used by the Canadian Wheat Board in pricing the grain in. In fact that price had been artificially high before because of the effect of feed grain assistance upon the price at Thunder Bay.

Mr. Speaker: Order, please. In recognition of the number of hon. members who for some time have been seeking to put questions, it seems to me that the questioning could appropriately be concluded by the following hon. members in the order of their appearance: the hon. member for Dartmouth-Halifax East (Mr. Forrestall), the hon. member for Vegreville (Mr. Mazankowski), the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton), and the hon. member for Portneuf (Mr. Bussières).

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is for the Minister of Transport and it is with regard to what he stated, if I understand him, namely, that the grain position for the export market can be used or tapped in terms of reserve. Given the announced loss of the so-called add a lease rate with respect to grain for export, is there any implication with respect to this on the ultimate price of grain that may have to be taken out of that stock pile for the local market? In general, what are the implications of the loss of the add a lease rate fairly shortly with respect to feed grains for Nova Scotia or Atlantic region users?

Mr. Lang: There is no implication at all because the add a lease rates apply only to the export movement of grain. The fact is that with the retention of feed freight assistance in the Atlantic region at present levels and with the effect upon the price of feed freight being off and therefore off at Thunder Bay, there will be an economic tendency for feed grain to be available at a slightly lower price than would otherwise be the case. I have to stress that in a moving market that would have been the case in the Atlantic region. The feed reserves we have been talking about will be available to be drawn upon and those would ordinarily be priced at their destination plus freight from Thunder Bay. Very often that would be the most economical rate for grain moving there.

Mr. Forrestall: This gives rise to some concern. May I ask the minister whether I can infer from his comments that there will be no overtaxing of storage? I admit the usefulness of it to our own people who might want now, in a stable situation, to use the storage and to buy ahead. Will this overtax our storage capacity for export grains?

Mr. Lang: No, Mr. Speaker, there is really fairly adequate storage. There are some places where additional storage is needed and there are of course DREE efforts to correct the situation directly. There will be further programs in time to improve storage in storage deficient areas in the country.

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a question for the Minister of Agriculture. He is quoted as saying in the press release that the reduction in feed freight assistance should not increase feed grain prices in eastern Canada. Having regard to the fact that feed freight assistance rates will be reduced by $6 a ton, are we to assume that this differential will have to be made up by the producers of grain in western Canada? Is that correct?

Mr. Whelan: Mr. Speaker, they are going to meet corn-competitive U.S. prices. That is all we are asking and that is all they have agreed to do.

Mr. Mazankowski: That is being done now. I am simply asking the minister to confirm or deny the conclusion I have reached. Is it not true that if in fact reduction in feed freight assistance will increase feed grain prices, that the western grain producer will have to make up the differential in order to be competitive, yes or no?

Mr. Whelan: They asked me a question, Mr. Speaker, and then they tell me how to answer it. I think that is going a little far. The price of feed grain will be the same for the western producer exactly as it will be for the eastern producer. The hon. member was talking about British Columbia. This year they brought in ten times more American corn to British Columbia than they did the year before. The producers of livestock and grain will be on a more equitable basis.

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, my question is directed to the Minister of

Agriculture. In view of the fact that the Reserve Stock Management Committee has recommended to the ministers the relocation of the major portion of the reserve stocks of feed grains, can the minister give an example of one or two storage locations?

Mr. Whelan: I think that one of the areas would be where the largest buyers of feed grain are so that there are adequate stocks, if there is not ample storage in that area. Western Quebec would probably be one of the places, and as the minister in charge of the Wheat Board just said, DREE has a program. They have built one grain elevator in New Brunswick, one is under way, there will be one in P.E.I. A program is to be unveiled in Nova Scotia and there will be similar kinds of programs in the area to help them become more self-sufficient. Storage locations are not just limited to areas of use. They are also extended to areas of production.

Mr. Hamilton (Qu'Appelle-Moose Mountain): If it is given to some places, it is taken from others. Would these two other places from which reserve stocks would be drawn for domestic use be Montreal and Quebec City?

● (2100)

Mr. Lang: No, Mr. Speaker. The current reserve had initially been located totally at Thunder Bay to be available on call from there. At a later date, with the special demands from Halifax, a certain portion, 400,000 or 500,000 bushels, was located at Halifax. This will simply mean a better distribution of the stock which up to this point had been held at Thunder Bay. It will be placed at forward positions as the committee decides.

[*Translation*]

Mr. Pierre Bussières (Portneuf): Mr. Speaker, in the answer he gave earlier to the hon. member for Gatineau, the Minister of Agriculture (Mr. Whelan) indicated very clearly the important role the Canadian Feed Board would have to play in the implementation of some aspects of this policy.

Recently, before the Committee on Agriculture, the chairman of the Canadian Feed Board indicated that he lacked powers to fulfill the present objectives of the board.

Can the Minister of Agriculture assure this House that he is prepared to give the Canadian Feed Board more powers, through legislation, to make it easier for them to fulfill their new objectives? I would also like to know whether, if this new policy proved unfair for eastern producers, the Minister of Agriculture and the minister responsible for the Canadian Wheat Board would be prepared to assure this House that financial measures will be introduced to correct an unfair situation for eastern producers?

[*English*]

Mr. Whelan: I do not know how we can say it any clearer than we have already said it about bad pricing, etc., and the fact that the Canadian livestock Feed Board, which is under my jurisdiction, will be the one which will do the monitoring to make sure there are supplies and not bad pricing. I already repeated that if there is evidence of bad pricing or poor supply, the Canadian Livestock Feed Board will be permitted to intervene directly in the domestic market by proclaiming that part of the act giving them authority to enter the market.

Mr. Speaker: I see two other hon. members seeking the floor. Throughout the question period I took great care to observe all those who were seeking the floor, and attempted, even as I gave advance warning that I would only recognize certain other questioners, to look for those who I thought would be interested in putting questions as a result of their earlier interest in the subject matter. I do not like to cut off hon. members inordinately from asking questions, but I was surprised that no others were seeking the floor at that time. Since I said there would only be certain other questioners and there are two others, I will conclude the questioning with the hon. member for Regina-Lake Centre (Mr. Benjamin) and the hon. member for Edmonton Centre (Mr. Paproski).

Mr. Benjamin: Mr. Speaker, I was not jumping up and down earlier because there were so many others and I have had one kick at the cat, but I would like to ask two questions in one, in order to take account of your kind indulgence.

First, since the Minister of Agriculture did not quite answer the hon. member for Vegreville (Mr. Mazankowski) I will ask a question of the minister in charge of the Canadian Wheat Board. In relation to U.S. corn prices now the statement says "Because western grains are going to be available at corn-competitive prices, I do not expect the reduction in feed freight assistance to increase feed grain prices in eastern Canada or British Columbia."

In relation to U.S. corn prices now, can the minister in charge of the Canadian Wheat Board tell us what effect that will have on barley, oats or feed wheat in relation to Canadian Wheat Board prices? Will it not mean a reduction in the price to western Canadian grain producers?

Second, would the minister now tell us what he is thinking about in terms of a plebiscite, which has been asked for, regarding feed grains in the open market? Is he now prepared to call one?

Mr. Lang: While we are clearly getting closer to that point there remain one or two items under the feed grain policy which still have to be put into effect before it is fully there, but I think it is becoming better understood and operating more fully now. When the sale of grain in question is Wheat Board grain at corn-competitive prices rather than grain farmer to farmer or region to region on a direct basis, which is still possible and raises different issues, then the effect of not having the artificial feed freight assistance to the Montreal and Ontario regions is to lower the price at Thunder Bay by that amount, and therefore also to lower the price of feed grains in the elevators to the buyer of those feed grains who raise animals in western Canada. It is exactly that.

It is the removal of an artificial factor which had been distorting natural advantage, and I was always pleased to note that the western organizations discussing this subject did not divide on product lines, but the grain farmer and the meat farmer joined together in wanting this artificial factor removed.

Capital Punishment

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, the minister just answered my question, but I would like to know, after that lengthy question by the hon. member for Portneuf (Mr. Bussières), what the government is doing for Sudbury.

Some hon. Members: Hear, hear!

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, at the five o'clock adjournment I was beginning a quotation from the second reading debate in 1961 of the remarks of the then minister of justice, as follows:

> Society's concern for its basic rules is expressed in its commands and corresponding sanctions that together constitute our criminal law. The degree of society's concern with respect to individual rules is reflected in the method of expression adopted. In this sense, therefore, the sanction for the law against murder may properly reflect the importance which society attaches to the maintenance of that law. In our view, Canadians properly attach so high a value to the sanctity of human life that the law which translates this feeling into effective form should provide the maximum sanction for its deliberate breach, and no other penalty would be considered adequate.

In my view those remarks of the Hon. David Fulton in 1961 have as clear an application today as they did then. In fact the Canadian people reflect an even higher concern, and it is for that reason that we see from one end of the country to the other this expression of public opinion—not just by a minor margin, not by 10 per cent, not by 20 per cent—in proportions of 80 per cent of 90 per cent for the retention of capital punishment and the carrying out of the law.

What does Bill C-84 do? For one thing, of course, it abolishes the word "capital." It abolishes capital murder and non capital murder because it wants to get away from that. So we are going to get Hawaii Five-O's and all the multitude of American police television programs' versions of murder one and murder two. It will be great to hear them calling out, "Book him on murder one", in the most dramatic voice!

But what is being substituted for the equivalent of capital murder is a sentence of 25 years and the possibility, under certain circumstances, of an individual applying for parole after somewhere between 15 and 18 years. In other words, these people are to be put into a jail and the key effectively thrown away.

Much is said about rehabilitation. There is not one person, here in this Chamber or outside, who can say that a man having served 15 or 18 years is rehabilitated. He has become so institutionalized and so bereft of the practice of living in ordinary society that he cannot be rehabilitated.

Man is strange; but perhaps I am a little subjective with regard to being incarcerated. I have not done time in any prison, but I was a prisoner of war for nearly three years. Even during that time some individuals acted with great desperation and tried to break out. They were reckless about their safety and one or two that I know unfortunately never made it back, not even in a "klim tin" because they were liquidated. On the other hand, I know that if any of us in the camp that I was in, or those in scores of other camps in Germany, or those in the hands of the Japanese, had been told that we were to be there for life, there were three options for a great number of people. They could hang themselves or do away with themselves in a sheer blue funk. I have seen this happen to men who could not stand the pressure. Another option was to take the life of a guard, in desperation. What could a man lose under those circumstances?

● (2110)

How can one pile 25 years on top of 25 years and make it meaningful? This is the attitude of the wolves in prison—what do they have to lose if all they are going to get is a further life sentence? Is it going to be incarceration in solitary, in segregated custody? Now the do-gooders and the bleeding hearts and the nice Nellies complain about isolation in the newspapers, on television, everywhere. They say solitary confinement is inhumane, but in many cases protective custody will be the only answer. What about Williams and the chap in Saskatoon? What about many other cases where we know there has been a dastardly crime, particularly when it involves children? Those people have to be put in isolation if they are to live, but on the whole society says we are not going to kill them—we will eliminate capital punishment, we will just turn them over to the wolves in prisons and they can do a job of capital punishment.

Mr. Caccia: What about—

An hon. Member: Just listen.

The Acting Speaker (Mr. Turner): Order, please. The hon. member for Edmonton West (Mr. Lambert) has the floor.

Mr. Lambert (Edmonton West): Mr. Speaker, I intend to vote against this bill because I support capital punishment. Those who insist on the right to life and say that the state has no right to take a life should consider the victims. Did they not have a right to life? Surely the person who has wrongfully taken the life or lives of others has forfeited his absolute right. To me, Mr. Speaker, the substitution of life imprisonment is even worse. It is coldly sadistic in so many instances.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member but his allotted time has expired. He may continue with the unanimous consent of the House. Is it agreed?

Some hon. Members: Agreed.

Mr. Lambert (Edmonton West): I shall finish in a moment, Mr. Speaker. I respect the right of others to hold a contrary opinion, and many do; however, I resent the high moral tone of so many so-called abolitionists who somehow or other feel they have been called upon to wrap around themselves a self-fashioned cloak of some alleged higher morality, whether Christian or otherwise. Who says theirs is a higher morality? Then there are those who allege that the abolition of capital punishment is the characteristic of a civilized society. Who says so? Only an abolitionist. Is a retentionist, to use the simplistic term, any less civilized? The burden of proof in any argument in favour of the abolition of capital punishment rests on those who wish to make the change. Mr. Speaker, in my opinion they have failed to discharge the burden of proof imposed upon them.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I was curious about the last few remarks of the hon. member for Edmonton West (Mr. Lambert) in view of the lecture he gave us this afternoon because I imagine he was quoting something.

I participate in this debate because I should like to propose a number of solutions that I do not think have been discussed. Members who have spoken on both sides of the debate have been sincere, have reasoned and wrestled over a period of time with their consciences. They have considered the information supplied by their constituents and to a large extent the testimony of those who appeared before the Standing Committee on Justice and Legal Affairs on at least four occasions in the last eight or ten years. They have taken a position honestly, in my opinion.

Many members do not believe in the idea of consensus. Few have suggested, with any degree of honesty, a desire to have a plebiscite on this issue. If they really believed that, then they would have a plebiscite on everything. As all members know, circumstances change, situations change, many arguments are based upon personal experience, and happily those arguments change many times too.

I can remember a few debates where a definite opinion was taken by all members of the House. On the War Measures Act a few were on one side, the majority on the other. I can honestly say with hindsight that maybe the majority was wrong and the very small minority was right.

The flag debate was another of those emotional subjects on which one forms an opinion based on background. Now we have a flag and it is fairly well accepted by most of the country. I was rather surprised a couple of weeks ago when driving on the road to my home to see a Union Jack on a flagpole. I wondered why he was not flying the Ontario flag, until my wife reminded me it was the Queen's birthday. Probably that was why he was flying the Union Jack. We debated the issue of the Canadian flag. Certainly the country does not begrudge our discussing those issues, and does not begrudge exchanges which take place in the heat of debate. But once we decide, the country accepts our decision, knowing very well that we may modify our decision from time to time.

● (2120)

I have always been of the opinion that we should not hang people. I have heard members suggest that we should use the guillotine instead of a rope. Well, I oppose the use of the guillotine, the use of the electric chair, the use of the firing squad, etc. Rightly or wrongly I think society has less right to take a life than an individual has, if an individual has such right. When a man kills another, he probably does it for some reason. But society executes on the excuse that it protects. I have heard it suggested that society executes out of revenge. Be that as it may, I say that any society which executes is none too civilized.

This afternoon the hon. member for Edmonton West (Mr. Lambert) used the example of a man who raped, then murdered a couple of young children. Surely a layman could only conclude that the man was not in his right mind. Sane people do not do that; therefore hanging them or putting them in jail for life is not the civilized way of curing the problem. People like that probably need medical attention. They should be confined in an institution for the insane, not imprisoned in a penitentiary for life.

I agree with what has been said about the cabinet's commuting death sentences. I agree that since we retained the death penalty for the murders of prison guards and policemen those convicted of such crimes should have been executed—save and except in cases when the cabinet's prerogative of mercy could be properly exercised. The cabinet did not choose to allow any murderers to be executed, which I think was wrong.

I am concerned about how the different categories of murderers are to be treated. In my opinion the Solicitor General (Mr. Allmand) has brought in few, if any, reforms. He has done little in the field of penal reform, or in any other field for that matter. Why Mr. Speaker? The government is backward, cautious, and totally incompetent in this regard.

Mr. Blais: Surely the hon. member does not mean that.

Mr. Peters: Yes I do. It is totally incompetent. Actually it is going backwards, like a kid trying to pedal a bicycle when the chain has fallen off.

The previous hon. member who spoke said that he thought a 25-year sentence of imprisonment for murder is more barbaric than hanging. I agree.

Mr. Leggatt: It is 15 years.

Mr. Peters: With respect, it is 25.

Mr. Leggatt: Look at the bill again.

Mr. Peters: How can we expect judges to render impartial decisions when we clamour for 25-year sentences? Only on the most rare occasion will a judge impose a sentence of less than 25 years. It seems to me that the 25-year sentence is probably the most barbaric penalty our system can meet out. Consider the feelings of a person of, say, 40 years who faces a 25-year prison term. He knows he is without hope of release and will make no contribution at all to society. I am prepared to support the idea that a man should be sent to jail for 25 years, on this condition—that he be provided with a potassium cyanide capsule so that if he feels his punishment is intolerable he can take his own life. There must be safeguards, of course, to make sure that the capsule does not end up in the warden's soup. Prisoners have been known not to like wardens.

I suggest that if the prisoner feels he cannot face a jail term of 25 years he should have the right to take his own life. Society should not make that decision for him. Actually secret service agents now are provided with potassium cyanide capsules. After a United States spy plane was shot down by the Russians, a United States committee which investigated the case suggested that if Gary Powers had swallowed a lethal pill he would have avoided all the fuss and embarrassment which followed his capture. If hon. members were to propose the retention of the death penalty in the form I propose, I might support such a bill. But I cannot support the idea of imprisoning a man for 25 years, without any hope of release.

Mr. Leggatt: It's 15 years.

Mr. Peters: The hon. member for New Westminster (Mr. Leggatt) insists it is 15 years. I suggest that he is not aware of the changes taking place in present day society.

Mr. Leggatt: The hon. member is not aware of the provisions of the bill.

Mr. Peters: It is interesting to note that when skirts get longer, society feels insecure. At present our citizens are concerned about personal security and loss of income. We have not seen such fear for some time. Normally hemlines come down either before or during a war or just before a serious recession. Most of the 700,000-odd unemployed think the recession is here, now. People want collective security. As I said, when recession is upon us, hemlines drop. When hemlines go up, it means things are free and easy.

Some hon. Members: Oh, oh!

Mr. Peters: But when they start coming down, watch out. They are a pretty good economic indicator. I suggest to the hon. member for New Westminster that as time passes, our judges will become more and more conservative and react more to the general tone of society as society becomes less progressive and people draw together for collective security. They will be more like the Ku Klux Klan five years from now than the progressive judges of five or ten years ago. They react to the society they are in, the same as members of parliament.

● (2130)

We have paid no attention to the protection of society. We spend a lot of money to keep people in jail. Every once in a while the Solicitor General announces that a new penitentiary will be built. Statistics indicate that there are more people in jail in Canada than in any other civilized country. That is no honour.

I have visited some of our penitentiaries on numerous occasions. I met many of the prisoners, guards, and officials. I was pleased with the changes that were being made in the penitentiary system a few years ago, but since that time very little has been done. As a matter of fact since Commissioner McLeod left the penitentiary service there has been very little progressive thought in the whole service. He had faults, there is no question about that. However, he had an excellent mind and knew more about criminology than most people. His dream was that by the time he left the penitentiary service more people would be rehabilitated than when he took over.

There has been very little progress with regard to rehabilitation. Society is scared. Any time someone does not return after being granted a leave, the Solicitor General is jumped on. When he tries to explain, he puts his foot in his mouth and the problem sounds worse than it did originally.

When there was a problem at Millhaven two members of parliament visited there. I was one of them. That section of the act that permitted members of parliament to visit a penitentiary at reasonable times was removed by a former Solicitor General. That had been a British tradition, but we had a non-British Solicitor General. He felt that the visits caused problems, and therefore members could no longer visit a penitentiary without his permission.

Since that time I have not visited a penitentiary. If I cannot go there on my own to talk to those people and intervene if necessary, I am not going to go. I suggest there are many members who have never visited a penitentiary. They should do so.

It cost $20,000 a year to keep a person in jail. The government is now talking about keeping murderers in jail for 25 years. At $20,000 a year that is a fairly expensive proposition.

In my limited experience I have found that it is often easier to rehabilitate a murderer than any other type of prisoner. It is very difficult to rehabilitate a dope addict, forger of con artist. It is almost impossible to rehabilitate a bank robber. In many cases a murderer could be set free the day after his trial. There are lawyers here who know that. Even though the murder may have been premeditated, it was carried out under extreme provocation. That provocation likely would not occur again during that person's lifetime.

One day you have a good citizen with no criminal intent and no criminal record. He commits a murder. He is either sentenced to jail for life or executed. In my experience it would be easy to rehabilitate that person.

I think I have told the story before of intervening on behalf of a young man who committed an atrocious murder. He was released. After five years he completed his course at Queen's University. That man is now married and has a number of children. I am sure he will never again be in trouble. I believe that story could be repeated by lawyers hundreds of times.

A law abiding citizen may commit a murder. However, the chances of that happening are very small. The chance of him committing a second murder is almost nil. His neighbour is more likely to commit murder than he is likely to murder a second time.

This must be explained to society. The little old lady walking through the park believes that if we execute the murderer, she will not have her purse snatched. I fail to see the relationship, but she understands it. She believes there is a total breakdown in society. This fits in with the change that I see in society.

A few years ago we changed the homosexual laws, abortion laws, and divorce laws. A number of changes were made in the social field. I respectfully suggest those

changes could not be made today because society would not allow it. Society is moving very far to the right. If members of parliament are going to be limited in that way with regard to changes in society, all we really need is a machine and we can let the public vote. Everyone could vote on every subject. There could be vigilante committees established all over the place, such as there are in some countries. The strong will be right and the weak will be eliminated. Surely that is not civilized society.

We must not only look at what we are doing with regard to capital punishment but with regard to the rehabilitation of prisoners. Many of these prisoners could be sent to our "Siberia". We need a highway to the Arctic, as well as a pipeline down the west shore of Hudson's Bay. This involves a great deal of work. Why not have the prisoners do it? We hear about Christian principles. One Calvinistic principle that is very strong in Canadian society is that work is good and to work makes you good. If that has any merit it would work well with some of our prisoners.

Our prisoners are only given very menial tasks, if any. Time weighs heavily in their hands. They scheme, plan, and do all sorts of things. However, they are not being rehabilitated. There are many jobs in the Arctic that could be done by machine, but there is still a great deal of manual labour required. If we are going to have sovereignty in the Arctic, we need to build airports. We would not need guards for these prisoners, only foremen. The prisoners would be paid for their work. In addition, they would develop a trade that could be marketed when they return to society. If they were willing to accept the discipline necessary in that environment, they could be rehabilitated. If not, they would again be sent there.

● (2140)

Surely it would be possible to develop a work program which would lead to the rehabilitation of a great many prisoners, allowing them to return to society making use of the trades they have been taught while in prison. You do not have to go much further than my new riding, Mr. Speaker. You would not need any guards there. If you were to leave the area you would be eaten alive by mosquitoes or drown in the muskeg. For nine months of the year you would be frozen to death.

Mr. Reid: What riding are you speaking of?

Mr. Peters: I am speaking of the area north of Moosonee. I question the minister's attitude. He seems to take great pride in building a new penitentiary every few months.

An hon. Member: He announces one.

Mr. Peters: Well, he announces it and keeps moving it around from one riding to another. I have known him for some time. He is a very honest person and a very dedicated person. I am sure that many of the goals he has in mind could be achieved. But what we have to find is some way of reducing our prison population. The reason they are in penitentiaries is because they cannot adjust to the demands of society. Surely it is necessary to train them in such a way as to make them fit for release into society. This change in approach must be made known in such a way as to make everyone in the country familiar with it. If this is done sympathy will be developed and the public generally will be in a better position to understand the achievements and problems of a penal reform system.

It is not good enough merely to read from time to time a newspaper headline announcing that a prisoner has escaped while on leave to attend his mother's funeral. The department must be prepared to state plainly that last year thousands of people were allowed out of prison on a weekly basis to rejoin their families with the result that, when the time for their release came, they were much better prepared to return to their communities in a different frame of mind. Obviously this is easier for them if they are familiar with the life of the community as it is today rather than it was five or six years ago, before they went to jail, or else they would return to it as if it were a foreign environment.

An hon. Member: What do you mean by "foreign environment"?

Mr. Peters: I did not hear that interruption but it was probably made by someone who had looked at all the difficulties and had never considered any of the advantages.

When Commissioner MacLeod was in charge the character of many of our penal institutions was changed. From being merely jails with security guards they became institutions where prisoners were given advice and helped in every way possible to develop a sense of responsibility to the community.

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

Mr. Peters: Yes, Mr. Speaker.

Mr. Blais: I paid particular attention to the hon. member's comment concerning the day parole system—he spoke of its success and the need to develop it further. In the light of his evident approval of that program as carried out by the Department of the Solicitor General I was wondering how he could justify his earlier statement that the policies of the Solicitor General (Mr. Allmand) had been a total failure.

An hon. Member: Shame. You have given him another hour!

Mr. Peters: Perhaps I should not have said they were a total failure. The day parole system has been in effect for some time. It has been expanded so as to allow people out of prison to attend educational institutions. What I am saying is that the minister has not developed any system which was not already in effect. I am suggesting, too, that he has done very little to explain some of his problems. I have in mind an occasion when one particular incident was disclosed, and the minister threw in two or three more that nobody knew about, and then the fat was in the fire. He has done that on a number of occasions.

If the Solicitor General does have any new proposals he certainly has not told people about them. All I ever read in the papers is his intention to build a new jail somewhere. If any evidence of his own attitude to some of these situations were needed one need look no further than the subject of the present debate. Murderers are not to be hanged but they are to be put in jail for 25 years. Under the

old system, Mr. Speaker, some of them got out after five years and, in my opinion, they were totally rehabilitated. In my view, that is possible. Mr. Speaker, if there were anything which might make me consider voting for hanging it would be the length of the sentence the minister is proposing.

If the hon. gentleman really wants to get this debate over, one way would be to arrange for eight or ten hangings on July 1 on the front lawn of the Parliament Buildings with coverage in colour television. I am sure he would then have no problem.

I am sure that if you asked most people who are in favour of hanging whether they would be prepared, as a member of a jury, where each vote counts, to bring in a verdict which would ensure such a penalty, they would tell you they wanted no part of such a decision. Nevertheless they are willing to allow society to make such a decision for them, and they do so because they fear hard times are coming and they are scared; they are willing to accept any measures which it is felt might protect them. Members of parliament, even those who believe there is a certain role for vengeance, a certain role for deterrence can only do that in good conscience, surely, if they are prepared to adopt a totally different way of eliminating the people society wishes to reject.

In my area not long ago a man hung a dog to a clothesline with a piece of wire. He was taken to court and received a two-year sentence for cruelty. I do not think he served any time in jail. It was a suspended sentence. But he got two years for hanging that dog. We are being asked to do that in the name of society. On occasion a man hangs from the gallows and suffocates for up to eight or 10 minutes before he dies. And we call ourselves a civilized society! I would question that, and so would anyone who witnesses such a barbaric way of disposing of people.

● (2150)

I would sacrifice the six or eight people who are now on death row awaiting passage of this legislation by hanging them in front of the Parliament Buildings on July 1 to celebrate our development as a "civilized society" because, Mr. Speaker, there would be such revulsion against that act that there is no question that the Canadian public would support the abolition of the death penalty, and of that method in particular, forever.

If we are to keep people in jail for 25 years, which is the period the minister has had to settle for, we should also provide them with the means of leaving this world. To me, this is just as barbaric as eliminating them. We should let these people make a choice between the two.

An hon. Member: How about giving them a colour TV?

Mr. Peters: The hon. member says we should give them a colour television set. No doubt some people in that category would appreciate a colour television set. If we are giving them away we should give them to other institutions, not penal institutions. We could put these people to work in the uranium mines at Eldorado or wherever they may be. Let us pay them a good wage. Certainly this would not cost us as much as keeping them in solitude, without hope, without reform, without fitting them for a return to society. In many instances we make sure that these people will remain in penal institutions for the rest of their lives; they will continue to return to them because our penal system makes them even less fitted for society outside.

[Mr. Peters.]

I suggest we give reform serious consideration. The minister should ask members of parliament to pass some progressive legislation in the field of penal reform. Reformation of our prisoners and of those who have offended against society should be made an important part of our legal structure. If it is not, we will continue to have the unenviable record of having the largest number of people in jail per population of any country in the western world.

Despite this retrograde step it seems to me that the minister still has some support in the House for progressive legislation. If that is not the case, if he has frittered it away, then the three or four votes for abolition that I have heard today will go down the drain, just as did the larger number that we had on the last occasion. The amendment that may be moved by the right hon. member for Prince Albert (Mr. Diefenbaker) may in the end have to be the solution if the minister does not give some consideration to putting members of parliament in the picture about what he hopes to do. He should not attempt to satisfy public opinion by passing a stupid piece of legislation. Better that it is not passed than to perpetrate a hoax in the form of these long mandatory sentences, which in many cases will not be served and will certainly not serve society for the next three or four years before the law is once again changed.

Mr. Stan Schumacher (Palliser): Mr. Speaker, it is slightly more than three years since I last had the opportunity of speaking on this subject.

Some hon. Members: Hear, hear!

Mr. Schumacher: I see that my absence has been noted by the other side. As a matter of fact I last spoke on this subject on May 29, 1973. We heard today that about 70 members of this Chamber have participated so far in the debate on Bill C-84, which I guess the government House leader considers to be quite a number. Nevertheless this means that less than one third of the members of the House have so far taken the opportunity of expressing their opinion on a subject of very deep concern to the general public of this country. I hope a way will be found to enable practically all members to have an opportunity of stating their positions on the capital punishment question.

A number of the Canadian people are beginning to wonder about the efficacy of the principle of representative government. Opinion polls—I know the government spends a lot of money on and pays a lot of attention to polls—indicate that Canadians in general want the principle of capital punishment retained as the law of this land. They are very concerned about the recent attitude of the government which ignores with impunity one of the basic laws of the land. Somehow or other the members of this Chamber will have to pay some attention to the question of representing the population of Canada, though I know some of them hate to be reminded that they are representatives.

I see Your Honour is moving in your chair and it is about ten o'clock, so may I call it ten o'clock and continue on Friday?

Mr. Deputy Speaker: Is the hon. member for St. Catharines (Mr. Parent) rising on a point of order?

Mr. Parent: Mr. Chairman, I seek unanimous consent of the House to revert to the presentation of reports by standing and special committees.

Mr. Deputy Speaker: The hon. member knows he needs unanimous consent. Is there unanimous consent to allow the hon. member for St. Catharines to present a report from a committee?

Some hon. Members: Agreed.

ROUTINE PROCEEDINGS

[*Translation*]

VETERANS AFFAIRS

Eleventh report of Standing Committee on Veterans Affairs, in both official languages—Mr. Parent.

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

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

SUPPLY AND SERVICES—LOCKHEED CONTRACT—DEPARTMENT'S KNOWLEDGE OF FINANCING DIFFICULTIES

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, while the Minister of National Defence's (Mr. Richardson) handling of the LRPA purchase can hardly be termed competent, his colleagues in cabinet have shown no great skill either, except in attempting to put all the blame on the Minister of National Defence's shoulders.

● (2200)

In interviews over the Victoria Day weekend, and again in the House on Tuesday, May 25, and Friday, May 28, the Minister of Supply and Services (Mr. Goyer) let it be known that he did not think much of a process whereby multi-million dollar contracts were agreed to on the basis of nothing more than a verbal agreement between two individuals that financing would be available.

At the time the deal collapsed the Prime Minister (Mr. Trudeau) also indicated that the source of the problem was that cabinet had been told Lockheed could provide the money. Each conveniently forgets that not only did the Minister of National Defence believe in the verbal agreement, but the whole cabinet apparently believed in it too.

Not one cabinet minister, least of all the Minister of Supply and Services, has said he looked for a written assurance before Lockheed was authorized on December 2 to start work on the contract.

In addition to all the blame for the verbal agreement being pushed on the Minister of National Defence and "a general" whom one assumes is General Allan, the manager of the LRPA project office, we also have the interesting spectacle of the Minister of Supply and Services saying he did not know the Department of National Defence was short of funds, nor that Lockheed had agreed to provide these funds when he authorized work to begin. I refer to *Hansard* of March 29 at page 12217. Later he said that officials in his department were not aware of these facts either which, given the relationship of the project office to the Department of Supply and Services, is surely asking too much of our credulity.

The story, as it has emerged so far, is that the project office negotiated a contract for 18 LRPA's. Though the project manager was General Allan from the Department of National Defence, the deputy project manager, with principal responsibility for negotiating the terms of the contract, was L. H. Stopforth, an official from the Department of Supply and Services. As Mr. Crutchlow, the assistant deputy minister of the Department of National Defence explained to the Standing Committee on External Affairs and National Defence on March 23, at page 33:30:

—the contract has been negotiated by the contract office. That office, as the minister has said, is led by General Allan as the project manager, but his deputy is a member of the Department of Supply and Services, a senior officer of that department. He is primarily responsible for the actual composition of the contract, along with his line branches that work in the DSS.

The project office negotiated with Lockheed a contract based on Lockheed's most cost-effective schedule and based also on the premise that there would be more money available in the defence budget. As it turned out this was a mistaken premise, for it was only in November that cabinet gave consideration to the long term budget, and it was only at that time it became apparent there would be shortfalls in 1976-77 and in the two subsequent years. I refer to General Allan's evidence to the standing committee on April 13, 1976, at page 35:9.

General Allan said that when it was realized there would be a shortfall "we" contacted both suppliers, Boeing and Lockheed, and asked whether they could finance the shortfall, and both replied in the affirmative. It was on this basis that cabinet documentation was prepared. I refer to General Allan's evidence to the standing committee on April 13, 1976, at page 35:7. When asked about this on Thursday, May 27, General Allan told the standing committee that he personally made the phone calls to Boeing and Lockheed, and the results of these conversations were reported to his deputy, Mr. Stopforth.

The whole organization of the project office makes it appear very unlikely that the Minister of Supply and Services did not know of the financial problems of the Department of National Defence. General Allan explained to the standing committee on May 13, as reported at page 39:6, that he was responsible to the deputy ministers of four departments; Defence, Supply and Services, Industry, Trade and Commerce, and DREE. He reported to the deputy ministers through a senior management board,

which had representation at the assistant deputy minister level from the four departments concerned. This senior management board was chaired by Mr. Crutchlow, assistant deputy minister of the Department of National Defence.

When asked whether the Department of National Defence's lack of money and Lockheed's verbal commitment to provide financing were communicated to this management board, General Allan said:

> Yes, the senior management board was aware of that, as were the cabinet and the Treasury Board, that we had a shortfall between the funds that were available to the Department of National Defence and the cash flow that was required in the contract which had been negotiated in this case with Lockheed, in our judgment.

When asked whether cabinet also was aware of Lockheed's verbal commitment, General Allan said:

> Yes, our judgment in the recommendations we made up the line was that this we could negotiate with Lockheed to solve this shortfall in the cash between what was available and what was required in the contract.

On Thursday, May 27, General Allan was even more specific about who knew about the shortfall and the verbal promise that financing would be available. He said:

> The phone calls to both Boeing and Lockheed were made by myself. The results of those conversations were reported back into the project office to my deputy. The gist of the conversations were put in the submission to cabinet; they were put in a submission to Treasury Board; the cabinet submission was dated November 14 and was considered by cabinet on November 27; the Treasury Board submission was briefed on the basis of a draft document on November 27; the formal Treasury Board submission for the program was on December 1. The shortfall was pointed out in all these documents. There was a briefing prepared for the Department of Supply and Services on November 30 to . . . my understanding was that the Deputy Minister of Supply and Services briefed the Minister on December 1.
>
> MR. MUNRO: Including the shortfall.
>
> GEN. ALLAN: Including the shortfall.

The Minister of National Defence intervened here to support General Allan. He said:

> To confirm what Brigadier General Allan has said the fact that cabinet approved interest payments and which as I said are in the blue book, indicates that cabinet knew there was a shortfall. If they were not going to finance anything then they would not need interest payments. So, I am just confirming what General Allan has said. This was known to the cabinet and certainly known to any minister who was at cabinet.

This comment is interesting in view of the Minister of Supply and Services' repeated statements that he negotiated on the assumption that since DND placed the order it had the money available. Though one does not know whether the Minister of Supply and Services was actually at the cabinet meeting on November 27, is it not very unusual that he was not informed of the results of that meeting, either by a colleague, or through circulation of the minutes? In other words, even if one ignores General Allan's testimony that officials from DSS, including Mr. Stopforth and the Deputy minister, knew these facts, how was it possible for the Minister of Supply and Services not to know that DND was short of funds?

General Allan's comments bring into sharper focus the contrast between what DND says, and what DSS says. Given the organization of the project office, one would assume that the whole project team, not just those members from DND, knew about the shortage of funds, and General Allan has indicated he did tell Mr. Stopforth.

Certainly Mr. Stopforth knew about DND's shortfall in the previous year since he wrote the letters to Mr. Heppe of Lockheed inquiring about alternatives, and there appears to be no reason why he would not have been told about the 1976-77 shortfall and the attempts to overcome it.

However, the Minister of Supply and Services claims that Mr. Stopforth did not know about the shortage of funds for 1976-77 and Lockheed's verbal assurance that it could provide financing; he told the House on Tuesday, May 25, in answer to my question, that he did not know whether the information had been deliberately kept from Mr. Stopforth but,

> . . . be that as it may, the representative of my department on the management committee of that project was not advised of the possibility of that financial arrangement.

The Minister of Supply and Services did not answer the second part of my question, which is whether his deputy minister knew of the shortfall problem. Again because of the structure of the project office, and General Allan's testimony, it seems to me that the deputy minister of Supply and Services must have known.

The misunderstanding with Lockheed, as the Minister of National Defence likes to call it, arose in the period from December 2 to December 22, when Lockheed told General Allan that it could not provide the financing after all.

Mr. Deputy Speaker: Order, please, I regret having to interrupt the hon. member but the time allotted to him has expired.

Mr. Walter Smith (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, the LRPA project has a significant involvement for four departments: DND which as the user of the defence supplies is responsible for funding the requirement and defining the specification, DSS which as the procurement authority in the government negotiates and administers the contract, ITC which determines and evaluates Canadian industrial benefits, and DREE which applies its concern to realize opportunities for regional economic development that might flow from a major procurement such as the LRPA. Accordingly, because of the multi-departmental interests a project office was established to ensure good management among the four departments directly involved. Staff from the concerned departments were co-located in one office to do the job in a unified and effective manner, taking into account the responsibilities of their respective department. Because DND has the main involvement and interest, the project leader was selected from that department.

The organization of the project office reflected the functional interests of the four departments and contained the following elements: operational; technical; logistical; contractual; industrial development; regional economic development. These six elements worked together in the one office to administer the project.

● (2210)

The LRPA project had three phases to it. In Phase I starting November 1, 1972, five contractors submitted proposals for an Argus replacement. This phase was unfunded. Phase II commenced on May 6, 1974, but only included two, not five, contractors. During this phase Boeing and Lockheed were funded in the amounts of $5.5 million and $5.7

million respectively to define the LRPA requirements. This phase was completed in November, 1975. Phase III covering the design, development, production, test and delivery by the successful bidder was to commence when a definitive contract was placed.

DND has always been responsible for funding all contract demands or requisitions sent to DSS or its predecessors for procurement of defence goods and services. This responsibility lies within their internal delegation of authority for program funding. It is not or never has been a DSS responsibility.

The LRPA project was duly approved by Treasury Board and cabinet and was ready to proceed to the contract stage. The Department of National Defence was responsible for providing the necessary funds out of their capital budget. Because of a non-recorded conversation which the project manager had with an official of Lockheed, it was assumed that DND funding would be supplemented by some financing from Lockheed.

As things developed, this possibility did not materialize, and this is why Lockheed proceeded to attempt to interest a Canadian bank consortium to make the funds available through the assignment of the contract.

Officials of DND are responsible for managing their capital budget and this was entirely their responsibility. The question of a shortfall of cash to be financed by Lockheed did not become known to the minister and to the senior management of DSS until January.

The reason for issuing a telex on December 2 was to preserve the price, deliveries, and industrial off-set benefits contained in the Lockheed offer before the offer expired on December 2, 1975. This is normal procedure until all the clauses of the contract have been finally developed in legal terms and are agreed fully in detail by both parties. Up to the time the financing problem arose there was reasonable assumption that the contract could be signed in the middle of January.

As it turned out, considerable delay was involved in the negotiations between Lockheed and the Canadian banks as to the possibility of financing and, while these negotiations were going on, it was essential to protect the price, deliveries and off-set conditions on a week to week basis.

Eventually, an option agreement was signed with Lockheed when the possibility of Canadian bank financing appeared reasonably certain.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member. His speech is very interesting, but I have to interrupt him.

Mr. Smith (Saint-Jean): I have only about 15 seconds left.

Some hon. Members: Let him finish.

Mr. Deputy Speaker: Fifteen seconds are long sometimes.

Mr. Smith (Saint-Jean): This is the letter of agreement the minister tabled on May 25 in the House, and I am sure this provides all the necessary information as to the undertakings of the government and the specific limitation of $16 million which was contained in this agreement.

As to the specific point as to whether the minister was aware of the possibility that Lockheed had agreed to finance the shortage of cash in the early phase of the project, the minister has previously replied to this. This afternoon he also emphasized that his department was not responsible for financing.

TRANSPORT—INCREASE IN CONTAINER FREIGHT RATES—REQUEST FOR REVIEW BY TRANSPORT COMMISSION OR GOVERNMENT INTERVENTION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, that was an awful lot of balderdash we just listened to, but my concern is the movement of container traffic out of the port of Halifax and Saint John into central Canada, and specifically the proposed freight rate increases on containers to be effective on July 1.

Within the United Kingdom and the continental area of northern Europe there is a freight conference of lines serving the east coast Canadian ports which permits shippers to charge the same ocean freight rates as those serving the ports of Montreal and Toronto directly. In other words, it does not cost any more to ship by way of Halifax than it does by way of Montreal or Toronto into those particular destinations.

This saving has been dependent upon the cost charged to the carriers by the CN system, which in fact is the captive shipper. Without getting into the difficulties which lay behind the questions we asked—the disastrous rate wars in the North Atlantic in 1972 and 1973, the resolution of these problems in 1974 by the introduction of agreements between the Canadian and American lines which permitted cargo to move freely to and from Canada by way of U.S. ports provided Canadian rates were charged, and again with respect to American lines which were permitted to absorb the inland trucking costs from Montreal and Toronto and their base ports in the United States—in spite of this the cargoes continued to flow by way of the United States for a substantial period of time. Indeed we are now looking at some 60,000 tons of cargo going by way of U.S. ports, and in a down period in the movement of containers in the North Atlantic conference we notice that while Canada's total number—and we will use the units, the 20, 35 and 40 foot units—has been down in the period of the last couple of years, probably reflecting trends in world trade, we notice that movement through U.S. ports has not been down.

There is a reason for this, and the reason, of course, lies in the fears that we on the east coast have with respect to the increase in the cost of moving containers, an increase of 7 per cent in the cost of moving containers from Halifax and Saint John into Montreal and Toronto. This increase has been imposed at a point in time when no similar increase is being imposed upon other movers.

Of course any mover of freight has to absorb the total cost of the particular piece of freight permitted under the rules of the North Atlantic Conference with no opportunity for movers on the east coast, for example, to absorb the 7 per cent increase in cost which must perforce come out of their ability to earn dollars. All the 7 per cent increase will do, particularly with respect to the 40 foot containers moving from Saint John and Halifax, is place

them in a competitive position with the ports of Montreal and Toronto through the Port of New York which can in turn offer about a 2½ or 3½ day advantage in time over the Port of Halifax. Time being dollars with respect to the movement of cargo, it will not go any other route than through the Port of New York. This is what we are afraid of if the government permits Canadian National to impose the additional 7 per cent.

The problem is compounded by the fact that it is the United States east coast ports that traffic out of Saint John and Halifax will move and not other east Canadian ports. There would be no advantage for large ships that use the ports of Halifax and Saint John to try to get into Montreal or Toronto because they would lose the advantage of the large size containers, which is part of the way that entrepreneurs moving containers in world traffic find the margin for profit.

I should like to see the government review this situation from the point of view of the movement of these containers through Canadian ports. For example, Dart, ACL, Hapag Lloyd or any other line are not in a position to take their customers and get an increase in rates. They cannot do that under the terms of the conference until some time next March or April. It is now the end of May and the increase faces us on July 1. If we are to ask the shippers of 40 foot containers from Halifax to absorb 7 per cent and take into consideration the fact that Dart Lines own about 60 per cent of the port facility at Port Elizabeth in New Jersey, they are not going to move through Halifax. They are going to move their 40 foot containers through their own ports into Montreal and Toronto. They can use the single rate based upon trail of usage.

We would like to get some kind of deferral of any increase until such time as the shipper is in a position to go to his customer and get the appropriate increase to absorb the increase in rail cost. Short of that it would only be fair if the government were to consider an increase in cost to those using the Port of Montreal or the Port of Toronto with respect to the movement of containers and the Conrail service from New York into either Toronto or Montreal. Essentially those are the two points I wished to make.

● (2220)

It is unfair to the people of Halifax and Saint John to put shippers using the ports in the position in which they must absorb out of their own profits the full 7 per cent when a similar amount is not imposed on those using other ports directly and CN is not imposing such increases on movements from New York to Toronto and Montreal.

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I thank the hon. member for Dartmouth-Halifax East (Mr. Forrestall) for the analysis of the freight rate situation which he placed on the record of the House this evening. I assure him that I will make certain that all the factors he brought forward this evening will be brought to the attention of the responsible authorities both within the Department of Transport and outside, and I hope they will conduct a full analysis of the important concerns he raised this evening.

Originally, when my hon. friend addressed his question to me in the minister's absence during the question period, it had to do with the impact, if any, which the anti-inflation program might have on the specific freight rate increases to which he alluded. Essentially the hon. member asked me at that time whether the government intends to ensure that the Canadian Transport Commission will review the increase in container freight rates out of the ports of Halifax and Saint John into Montreal. The short answer is, yes.

I remind the hon. member that under the anti-inflation legislation the Canadian Transport Commission has responsibility for monitoring increases in freight, passenger, and express rates, and the increases in revenues to be derived therefrom. It is carrying out those duties which, among other things, require it to report to the governor in council where, in the opinion of the Commission, an action on the part of the railways is likely to lead to a breach of the guidelines.

I should like to confirm to my hon. friend that the commission is monitoring the recent increase in the container freight rates from Halifax and Saint John to Montreal and Toronto and has called on the railways to furnish it with all the information it requires in the pursuit of its anti-inflation duties.

As I said earlier, I will ensure that the important considerations my hon. friend described to the House are brought to the attention of responsible officials in order that his concerns may be alleviated.

AGRICULTURE—NUMBER OF CATTLE AND SHEEP DESTROYED UNDER BLUE TONGUE CONTROL PROGRAM

Mr. Ken Hurlburt (Lethbridge): Mr. Speaker, I begin my remarks this evening by quoting from pages 92:30 and 92:31 of issue No. 2, Minutes of Proceedings and Evidence of the Standing Committee on Agriculture of Wednesday, May 26, 1976. I do this to show beyond any shadow of doubt that the Minister of Agriculture (Mr. Whelan) acted too hastily on the blue tongue issue. The following exchange appears in the committee proceedings. I quote:

MR. HURLBURT: . . . Mr. Chairman. The first question I would like to ask is on blue tongue. Mainly, what type of blue tongue do we have? How many cattles have been destroyed to date? How much money has been paid out? And what are the results of the tests in the other provinces?

MR. WHELAN: Dr. Reid has been doing most of the work. He has given me a report here that is quite detailed and shows the wonderful job that the CDA is doing to eradicate this horrible disease from the nation.

MR. HURLBURT: Mr. Chairman, I would just as soon take that to my office to read it rather than have you take up the time.

MR. WHELAN: We can make all this available to you. It is not confidential; it is factual. While we are talking about blue tongue I want to put it on the record that it was stated here the last time we talked about blue tongue that they had never had blue tongue in Europe. Mr. Chairman, they did have blue tongue in Europe; it was in Spain. I could remember that they had it but I could not remember what country and I did not want to say it. But Spain had blue tongue in the late fifties and they had to slaughter sheep. They used inoculation for their sheep.

MR. HURLBURT: They could not have had any effect, though.

MR. WHELAN: They still cannot export cattle.

MR. HURLBURT: Was it the same type?

MR. WHELAN: They still cannot export cattle into the other parts of Europe unless they have a certificate indicating that they are free of blue tongue.

MR. HURLBURT: Was that the same type, Mr. Chairman?

MR. WHELAN: You know as well as I do, Mr. Hurlburt; there are several different types of blue tongue.

MR. HURLBURT: Yes, well that is what I am saying. You could be telling us that the type they had in Europe was altogether a different type than we had in the Okanagan.

MR. WHELAN: Which type do you want to know about?

MR. HURLBURT: I want to know if the type we had in the Okanagan is the type they had in Europe.

MR. WHELAN: I will let Dr. Reid or Dr. McGowan comment.

Dr. Reid said:

Mr. Chairman, we have not as yet recovered any virus from the animals we have slaughtered from the Okanagan Valley. The diagnosis has been based solely on the results of the Kaufmann fixation tests carried out on blood samples collected from the cattle. So we cannot answer your question yet; we have the virus but we have not been able to type it.

MR. HURLBURT: So what we are saying is that we jumped the gun and we announced an eradication program and went against the B.C. cattlemen's recommendations before we even knew what we had.

DR. REID: We do not know the type of virus we have. We know that we have exposure to blue tongue virus based on serological results from tests that have been carried out, and we are confident that they are accurate to the best of our ability.

As I pointed out at the beginning of my remarks, the minister stated, and I quote:

We can make all this available to you. It is not confidential; it is factual.

As of four o'clock this afternoon I had received absolutely no information from the minister's office. However, I found out on my own that 524 head of cattle have been destroyed in British Columbia, that $269,654 has been paid out for herds that have been destroyed, that 49 herds are infected in British Columbia, plus eight deer that are positive reactors.

After talking to my colleague, the hon. member for Okanagan Boundary (Mr. Whittaker), I am convinced the following questions are uppermost in the minds of all ranchers in southern British Columbia: what is going to happen to our herds this fall after roundup—isolation, quarantine or eradication? How can we plan if wild game are affected? Why are our armed forces in Europe eating American beef if the disease is so terrible? What enabled the United States to pioneer the Japanese market if the disease is that serious?

In my remarks this evening I have proved that the Minister of Agriculture implemented a program of eradication before he had proof of the most important point: what type of blue tongue do we have? If the type is altogether different and much more serious than the type now prevalent in the United States, the minister has gambled and won. However, if the minister has gambled and lost, we all know who the loser will be; not the Minister of Agriculture but the B.C. rancher.

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Mr. Speaker, it is a pleasure to respond to the hon. gentlemen this evening and as I begin may I express the regret of the Minister of Agriculture (Mr. Whelan) and of his parliamentary secretary for their inability to be present tonight to answer personally.

The hon. member, on May 17, asked how many cattle and sheep have had to be slaughtered under the blue tongue eradication program and how the program related to wild game. Before I answer those questions in detail I would first want to state for the record the minister's firm and well-founded view that Canada has the most disease-free animal population in the world, and we intend to maintain that enviable record.

As of May 17 the numbers were as follows: Cattle; herds tested, 65; positive herds, 49; negative herds, 16; cattle tested, 7,908; positive cattle, 875; negative cattle, 7,033. Sheep; flocks tested, 2; sheep tested, 140 (two sheep were being re-bled as the first samples were unsatisfactory for test); positive sheep, 0; negative sheep, 138. Wild game; deer tested, eight, positive deer, four, (two of which were on the Elkink Ranch); negative deer, four; bighorn sheep tested, four; positive bighorn sheep, zero; negative bighorn sheep, four; mountain goats tested, three; positive mountain goats, zero; negative mountain goats, three.

A permit to shoot 30 deer for testing purposes has been obtained from the provincial authorities. The bighorn sheep and mountain goats are being taken by capture gun and as many as possible will be tested.

● (2230)

At this point there is no indication that blue tongue is widespread in the game in the area and it should be noted that two of the deer which reacted positively were in close association with the heavily infected herd initially uncovered. Deer are not usually any threat to livestock as carriers of the disease. Researchers working in endemic areas have found that blue tongue usually kills deer; any that survive are considered to be immune, non-carriers.

The staff of the Health of Animals Branch is now involved in the process of tracing and testing cattle which have moved from the infected area to other parts of British Columbia. Cattle which moved into Alberta from the infected area have already been slaughtered in the normal course of events with feeder cattle. Movements from the area to Ontario are now being traced and submitted to test.

Officials are now arranging to collect at least 1,000 blood samples from Canadian cattle bordering on the United States in Alberta. This sampling procedure will be extended along the U.S. border into Saskatchewan, Manitoba, and Ontario.

It is apparent that the officials of the Health of Animals Branch are making every effort to rid Canada of this foreign disease as soon as possible. With the full co-operation of everyone, hopefully the success of this program will be as great as that which has been evidenced by this country on previous occasions in the complete eradication of foreign animal diseases.

Motion agreed to and the House adjourned at 10.33 p.m.

HOUSE OF COMMONS

Tuesday, June 1, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

AIR TRANSPORT

PROPOSED INVESTIGATION OF EFFECT OF BILLING PRACTICES OF TRAVEL AGENT ON AIRLINES—MOTION UNDER S.O. 43

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I rise on a matter of urgent and pressing necessity pursuant to the provisions of Standing Order 43 relating to a current problem affecting our national air carriers; in view of the fact that on March 4, 1975, the group vice-president, sales and service, Air Canada, Mr. Maurice D'Amours, and his counterpart from CP Air, Mr. H. B. Renwick, by a joint memorandum to all appointed travel agents emphatically warned of abuses in agency commission practices, and since I raised this matter in parliament on November 26, 1975, at which time the Parliamentary Secretary to the Minister of Transport (Mr. Goodale) indicated he would draw this matter to the minister's attention, and in view of the fact that I have since received additional complaints that large amounts of money are still being improperly claimed by travel agents, to the detriment of the financial well-being of our major airlines, I move, seconded by the hon. member for Prince George-Peace River (Mr. Oberle):

That the Minister of Transport take immediate steps to investigate the situation with respect to improper commission over-ride charges and other matters relating to billing practices of travel agents, and the effects of these practices on our air lines, and report to the House before the end of this session.

Mr. Speaker: Order, please. Such a motion pursuant to Standing Order 43 cannot be presented without the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

HEALTH

SUGGESTED PROVISION OF FUNDS TO MAINTAIN HIGH LEVEL OF MEDICAL RESEARCH—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave to present a motion under Standing Order 43 which deals with matters that are of urgent and pressing necessity. I move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That this House urges the government to take note of the appeal of the Multiple Sclerosis Society of Canada for a review of the decision to restrict the growth of Medical Research Council funds, it being the view of the society that it would be a crime against future generations of Canadians to interrupt research in Canada with respect to multiple sclerosis, heart disease, cancer and other ailments, and that this House urges the government to continue to provide the funds that are necessary for the maintenance of a high level of medical research in this country.

Mr. Speaker: Order, please. This motion pursuant to Standing Order 43 can be presented to the House only with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

THE CANADIAN ECONOMY

SUGGESTED PAYMENT OF COMPENSATED DISCOUNT—MOTION UNDER S.O. 43

Mr. Eudore Allard (Rimouski): Mr. Speaker, under the provisions of Standing Order 43, I ask the unanimous consent of the House to move a motion on a matter of urgent and pressing necessity.

In view of the fact, according to a survey conducted by the Canadian Press, food prices have kept increasing during the past month to the extent that bread has gone up again by 4 cents to 43 cents, and apples by 6 cents, from 27 to 33 cents a pound, and since also those foodstuffs are essential to all Canadians, I move, seconded by the hon. member for Champlain (Mr. Matte):

That the House instruct the government to look immediately into the possibility of establishing a compensated discount for consumer prices which would apply to all essential foodstuffs so that those who now cost too much be made available to all Canadians.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

Oral Questions

[*English*]

EXTERNAL AFFAIRS

REQUEST FOR STATEMENT OF AMOUNT CANADA PREPARED TO CONTRIBUTE TO COMMON FUND ESTABLISHED BY UNCTAD—MOTION UNDER S.O. 43

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I rise on a matter of urgent and pressing necessity. The President of the Privy Council (Mr. Sharp) has assured the House that Canada would contribute to the common commodity fund discussed at the United Nations Conference on Trade and Development. UNCTAD IV is over; however, the participants are to meet again to negotiate a common fund to stabilize prices of commodities in which the developing world is especially interested. Since many other nations are pledging specific amounts that they are prepared to contribute to the fund, I move, seconded by the hon. member for Greenwood (Mr. Brewin):

That this House direct the government to state the amount in dollars that we are prepared to contribute to the common fund.

Mr. Speaker: Order, please. Such a motion pursuant to Standing Order 43 requires the unanimous consent of the House. Is there consent?

Some hon. Members: No.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF DELEGATION FROM THE PARLIAMENTARY ASSEMBLY OF THE COUNCIL OF EUROPE

Mr. Speaker: Order, please. Before beginning oral question period may I ask hon. members to join with me in calling attention to the presence in our gallery of very distinguished visitors in the form of the delegation of the Parliamentary Assembly of the Council of Europe headed by the very distinguished Austrian parliamentarian Karl Czernetz.

● (1410)

ORAL QUESTION PERIOD

[*English*]

GOVERNMENT ADMINISTRATION

LOCKHEED CONTRACT—ALLEGATION MINISTER OF SUPPLY AND SERVICES UNAWARE OF CABINET DECISION ON FINANCING

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, I hoped to direct a question to the Minister of Supply and Services. I see he is not yet in the House. I have heard of waiting for Godot, but not of waiting for Goyer. In the absence of the Minister of Supply and Services, may I direct my question to the Acting Prime Minister? I ask him how common an occurrence it is for a minister who heads a large and important department to remain ignorant for more than four weeks of an important cabinet decision affecting that department? I am speaking of the cabinet decision to finance the shortfall in the Lockheed project of last December.

[Mr. Speaker.]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the Minister of Supply and Services will be in the House later. I think this question could more properly be directed to him when he arrives.

* * *

THE CANADIAN ECONOMY

POSSIBILITY IMPROVED EXPORT MARKETS WILL PRODUCE ENOUGH JOBS TO TAKE CARE OF INCREASED LABOUR FORCE

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is for the Minister of Finance. Since the drop in export production as a proportion of our total production between 1973 and 1975 was only about 2 per cent, and since in his budget address of last Wednesday the minister based his job forecast figures on a recovery in the export market, I ask, does he think that even if the 2 per cent drop which took place between 1973 and 1975 is fully restored it will be sufficient to produce enough jobs in the Canadian economy next year?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, although I do not have the actual text of the speech before me, my recollection is that we estimated that the export drop last year was at a rate of 7 per cent. Of course, that is in the budget text. The recovery on the export side will be a major factor in creating increased employment in Canada, which will in due course enable the economy to provide jobs for the substantial numbers of people, particularly young people, coming into the labour force.

Mr. Broadbent: Since it is forecast that 250,000 new jobs will be created next year, which is about 100,000 less than the anticipated increase in the numbers of people coming on the job market, is it the minister's view that, even if the international economy recovers as fully as he seems to anticipate, as an absolute minimum during the coming year Canadians can expect an increase of 100,000 in the numbers of the unemployed?

Mr. Macdonald (Rosedale): Mr. Speaker, the estimate is that there would not be that additional number of people coming into the work force. The estimates indicate a rough balance, which is one reason why we did not anticipate during the current year, at least, being able to take the level of unemployment substantially below the levels we have been incurring in the last six to eight months.

AREA IN WHICH NEW JOBS MIGHT BE CREATED

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, may I ask a final supplementary question? I should like the minister to be specific on my last point when he replies. Is he saying that next year he anticipates only 250,000 more people coming into the labour force? Is that the anticipated increase in the labour force? In conclusion, has the minister estimated where the new jobs are to be created? If, in the main, they depend on improvements in our export business, does it mean that most of them will be

created in central Canada? Or can the Atlantic provinces, which will be badly hit by the Unemployment Insurance Act changes, anticipate an increased share in the numbers of new jobs?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I do not think it is useful nor particularly helpful to try to break down into small figures or divisions what is, after all, an estimate only. Basically, the feeling is that the number of new positions to be created will roughly equal the number of people coming into the work force. Naturally, areas of the country which have suffered a downturn in business because of the drop in exports, for example, areas producing base metals, forest products and manufactured products such as automobiles will, with the recovery of export markets, see a recovery of employment. This will, therefore, involve those commodities which we have customarily exported, but sales of which have dropped off in the last year or so.

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[Translation]

REGIONAL ECONOMIC EXPANSION

REQUEST FOR EXPLANATION OF SLOW ANSWERS TO APPLICATIONS

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I would like to address a question to the Minister of Regional Economic Expansion.

At a time when most Canadian citizens feel that unemployment is growing a little too fast, projects are presented to the Department of Regional Economic Expansion, and there are complaints that it takes an extremely long time before these applications from citizens throughout Canada are answered. Could the minister indicate to the House why it takes so long before reaching a decision which could mean work for many unemployed people in Canada.

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, first I would like to say to the hon. member that the offers of monetary assistance to industries are issued every week by the department, and I believe the hon. member has been able to realize that there is a substantial number of projects processed each week by the department.

But in reply to the specific question of the hon. member, I would like to say that the department endeavours to reach a decision, make an offer or reject the application within a period of 90 days. That is our objective. Unfortunately this period starts to run from the time when the applicant has supplied us with all the information related to his or her project. Most applications, when received, do not include all the elements required to allow our analysts to assess it and reach a decision. They have to contact the applicant several times and that explains in most cases the long delays before a decision is made.

Of course, there are also exceptional, complex and difficult cases where we have to conduct a detailed analysis, check throughout the country for the types of businesses that exist in the same field, the degree of competition, and to what extent the market is already supplied by Canadian producers. For all these reasons, we do need a certain period of time.

Mr. Caouette (Témiscamingue): Mr. Speaker, I have a supplementary. I thank the minister for the elaborate explanations he has just provided me about it being necessary to have 90 days to make a decision. But let us assume that an application for a summer job has been made, for example, last December or last October. If the minister tells me that his bureaucrats or his technocrats have to go to Vancouver to decide whether a project in Saint-Romuald is valid, then I ask the minister first why the department inspectors do not go to the place of residence of the applicant to know the exact nature of his project or of his construction and to see on the spot the number of unemployed they would be prepared to hire when the department would make a decision. Instead of sending civil servants to check in Vancouver, I think the minister can certainly tell us why they do not send immediately his department inspectors to see the applicant who asks for government support?

Mr. Lessard: Mr. Speaker, I would like to add this. Fairly frequently, our civil servants go on the site but you will understand that it is difficult to do this in every case. I think that normally communications by telephone or simply by letter are sufficient to obtain the information the applicants must give to the department. But you will understand, Mr. Speaker, that despite all the diligence we can ask from our civil servants, it remains that some applications are difficult to process because of specific projects. I admit that there have been shortcomings in the past but unfortunately, there are sometimes human factors involved and we always endeavour to expedite the study and the decisions on all files.

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[English]

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR ASSURANCE FORCE NOT INVOLVED IN BREAK-IN OF DON McNEIL'S APARTMENT

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, I have a question for the Solicitor General. I have already given him notice. In light of today's newspaper reports that the apartment of press gallery reporter, Don McNeil, was recently broken into and ransacked in what Ottawa police investigators have described as a highly unusual manner with overtones of political harassment, can the minister give this House his absolute assurance that no member of the RCMP or his department's security service was involved in any way in this criminal act?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I checked with the RCMP before coming into the House. They know nothing about this. No complaint has been made to them by Mr. McNeil.

Mr. Reynolds: Can the Solicitor General also give this House his assurance that no member of the RCMP or his department's security service has been the recipient of any information that may have been gained as a result of this break-in?

Mr. Allmand: Mr. Speaker, at this point we have received no information as a result of this break-in.

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● (1420)

BILINGUALISM

REQUEST FOR ASSURANCE NIAGARA AREA NOT DESIGNATED BILINGUAL DISTRICT

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my question is for the President of the Treasury Board and deals with the fears of the people in the Niagara Peninsula that their area will be designated a bilingual district. In view of the fact that the tranquility and harmony of the region is threatened by this proposal, would the minister assure the House that he will not attempt to have this area designated a bilingual district by Order in Council when the House is in recess this summer?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, the recommendation made in the Fox report is now being reviewed by the cabinet and we will announce which districts will be bilingual when we are ready to do so. The policy has not been changed, but we want to find a fair solution based on the same criteria used in Quebec to protect both the English minority in Quebec as well as the French minority outside Quebec.

* * *

[*English*]

HIGHWAY SAFETY

STUDY INDICATING RUSTING OF VEHICLES SAFETY HAZARD—GOVERNMENT ACTION

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question is addressed to the Minister of Transport. Last week, officials of his department said that after a five months study carried out both in England and in Canada, it was clear that even a small degree of rust in motor vehicles produced a serious driving hazard. The same officials said that neither the minister nor the Minister of Consumer and Corporate Affairs would take these findings seriously. So, I ask the minister why is it that neither he nor his colleague the Minister of Consumer and Corporate Affairs will give credence to these findings and take action on behalf of Canadian consumers? Will the minister assure the House that the findings of the Motor Vehicle Safety Branch will be made public for the benefit of Canadian consumers and that immediate action will be taken?

Hon. Otto E. Lang (Minister of Transport): The main reason for not taking those findings seriously was that those were not the findings. There were reports of a study by someone who was attached either to a department or to an agency but the view of the department is that while rusting is obviously a serious matter in terms of the economics of motor vehicles it is not a safety hazard. Our department has been carrying out tests on vehicles rusted to various stages and has found there is no significant additional safety problem. Naturally, if the rust has caused defects which are noticeable that is another issue, but in terms of the rust itself as a safety hazard, apart from the economics, it is not such a hazard as the hon. member implies.

Mr. Grafftey: A supplementary question. I also mentioned the British findings which were made in conjunction with the Canadian findings according to which a serious safety hazard was evident. In view of those findings I ask the minister whether legislation will be introduced which would require vehicle manufacturers to rustproof parts before they are assembled. I would also ask the minister whether he would outline to the House the current status of his negotiations with the Ford Motor Company of Canada regarding the rusting problems which affect thousands of Canadian consumers today.

Mr. Lang: The studies on which the hon. member is relying, including those referring to other countries, amounted only to an examination of some literature on the subject setting out someone's theory of what might happen as a result of rusting. On the other hand we are performing actual tests and it is upon this evidence that we are relying.

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[*Translation*]

MANPOWER

REQUEST FOR STATEMENT ON MEASURES TO REPLACE LOCAL INITIATIVES PROGRAM

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, I have a question for the Minister of Manpower and Immigration.

In view of the previous questions I put to the minister concerning the extension of local initiatives projects and the minister's replies, namely that he would advise the House about other projects to replace the local initiatives program, could the minister tell us when we can expect a statement on this subject in order to assure promoters that they can pursue their projects on a permanent or seasonal basis as is the case at present?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, the announcement will apply to the local initiatives program which will be in effect the fall of 1976-77; in other words, this coming winter. The program the hon. member is alluding to now has currently been operating and will cease to operate, I think, within a very short time. No extension of the 1976-76 program is planned, though new application for next year will be taken when I announce the criteria within a week or two.

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AIR CANADA

ALLEGATION COMPANY IS ANTI-FRENCH—GOVERNMENT ACTION

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister of Transport.

Due to the surprising allegations that have been made to the effect that Air Canada is anti-French and that Mr. Pierre Nadeau, a CBC broadcaster, has dissociated himself from Air Canada advertising campaigns saying that the company is anti-French, and since this is a rather startling revelation, would the minister make a statement on the charges and inform the House if he is planning any investigation on his own?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I wish that the hon. member would not associate himself with the statement by calling it a "revelation" when it is at best an allegation. The president of Air Canada plans to make a statement clarifying the particular issue which was at the root of the controversy; I understand he will do so later this week.

* * *

ANTI-INFLATION BOARD

POSSIBILITY OF REVIEW OF DECISION IN CASE OF COAL MINERS AND KAISER RESOURCES LIMITED

Mr. Howard Johnston (Okanagan-Kootenay): Mr. Speaker, I direct my question to the Minister of Finance. Considering the importance of the export of coal in improving our growing trade deficit, and considering the spreading unemployment caused by strikes in the coal mining industry and related industries, is the minister's department considering a governmental review of the ruling by the Anti-Inflation Board which rolled back the settlement negotiated by Kaiser Resources Limited with the United Mine Workers?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, by way of a preliminary may I refer to the hon. gentleman's use of the term "growing trade deficit". In fact, in the month of April the deficit was reduced. With regard to the decision of the Anti-Inflation Board and the Kaiser Resources wage settlement, no decision has been taken to intervene.

POSSIBILITY OF APPOINTING MEDIATOR FOR STRIKES AGAINST BOARD DECISIONS

Mr. Howard Johnston (Okanagan-Kootenay): Mr. Speaker, my supplementary question is for the Minister of Labour. As there are a series of strikes underway in the mining industry which are not strikes involving workers against companies but are strikes against Anti-Inflation Board rulings, has the Department of Labour considered appointing a mediator in these strikes which are literally without precedent?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, in many cases these matters fall within provincial jurisdiction, as I am sure the hon. member is aware, so it does depend on the particulars of the case to which the hon. member is referring. Although we may encourage mediation through the provincial departments of labour, this is a decision for them to make. I understand that they are assessing the situation.

[*Translation*]

AIR TRANSPORT

INQUIRY IF MORE MEMBERS WILL BE APPOINTED TO KEENAN COMMISSION—DATE OF REPORT

Mr. Serge Joyal (Maisonneuve-Rosemont): Mr. Speaker, my question is directed to the Minister of Transport.

Considering that commissioner-enquirer John Keenan's mandate was considerably broadened to include all aspects of security in bilingual air communications and considering that initially he has been given 90 days to produce his report, can the Minister of Transport tell the House whether he is willing to consider appointing to the Keenan Commission of Enquiry other members whose impartiality and competence in the field of aeronautics would be acknowledged, and whether he intends to assign a time limit to the Commission for the production of their report?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, our basic approach to the commission was to appoint a commissioner and then to invite him to gather such expertise as may be required for him to assess the procedures. I should say that he will be working closely with various people in the department and in the air industry and with the simulator in the national capital region to determine the nature of the procedures which we are establishing. I should indicate as well that the report is expected not in terms of a specific time from now but within 90 days following the termination of those experiments and the determination by ourselves that we believe procedures are available for the safe introduction of bilingual IFR.

* * *

● (1430)

MANPOWER

LOCAL INITIATIVES PROGRAM—ALLEGATION ADVISORY COMMITTEE IN MIDDLESEX AREA EXPRESSED OPINIONS ABOUT NATIVES—GOVERNMENT ACTION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, some weeks ago the Minister of Manpower and Immigration received complaints that some members of the constituency advisory committee for LIP grants in Middlesex-London-Lambton had expressed opinions about native people who had submitted applications, such as "they are shiftless and lazy", and "you can't trust them with money", etc. These are very serious charges, if true. Will the minister indicate whether he or his department have taken steps to find out the truth of these allegations?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I must admit to the hon. member that this is the first I have heard about it. There may be some correspondence which has not reached me yet. I will have a look into it to see what the details are.

Mr. Orlikow: Mr. Speaker, when the minister is looking into these charges, to which he did reply in the way of a form letter, and if he is given more information about the charges, will he also look into the question of whether in respect of making recommendations the prejudices of the

people concerned have resulted in adverse decisions regarding the amount of money the native groups eventually received in response to their applications?

Mr. Andras: Mr. Speaker, I will be glad to make that part of my investigation into the matter.

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TRANSPORT

FREIGHT RATES—REQUEST FOR MORATORIUM ON PROPOSED CHANGE IN RATES ON RAPESEED PRODUCTS

Mr. Jack Murta (Lisgar): Mr. Speaker, I should like to direct my question to the Minister of Transport. In light of reports that many rapeseed crushing plants may close down, including the plant at Altona, Manitoba, due to the raising of freight rates on rapeseed products to the minimum compensatory level, and noting that the terms of reference of the Snavely Commission presently underway give instructions in respect of looking into the cost of moving grain, including rapeseed, would the minister for the good of the rapeseed industry in western Canada be prepared to place a moratorium on the proposed policy he has enunciated until the Snavely Commission places its recommendations before the minister, which will be sometime later this year?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the problem in respect of rapeseed crushing plants really emerged when very high competitive conditions began to exist in the oil industry and they were faced with an existing discrepancy between the low rate on rapeseed and a much higher rate on rapeseed oil. Our recent disposition of the appeal has not raised the rate as such, but has ordered the CTC not to allow rates to be charged higher than compensatory. This will, for instance, lead to a lower rate than the one faced by the Lloydminster plant. It may have a marginal effect on the rate on rapeseed to other plants. Really the problem relates to the long existing differential between the low rate on rapeseed and the higher rate on rapeseed oil. In fact, no change has taken place in the rates. The direction from us was simply not to allow a rate higher than compensatory, and so far no change in rates has been filed. I do not know how many months it will be before the actual filing and assessing of that rate will take place. It quite likely will be after the Snavely Commission has reported in any case.

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PUBLIC SERVICE

SUGGESTED RESUMPTION OF NEGOTIATIONS WITH POSTAL SUPERVISORS

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the President of the Treasury Board. In view of the fact that postal supervisors are being compensated at a lower rate than the employees they are supervising because of the recent increase in postal workers' salaries, will the President of the Treasury Board now issue a mandate to post office officials so they can continue negotiations to remove this obvious inequity?

[Mr. Orlikow.]

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, the negotiations are currently going on. I received representations from other members, including the highly dedicated member for St. Boniface, and I am looking into this problem. No later than this morning we mandated our negotiators, but this House must recognize that it itself did pass a legislation fixing the maximum rates applicable under the price and wage control legislation.

[*English*]

Mr. Dinsdale: Mr. Speaker, in view of the fact that the supervisors' contract expired at the end of March and there will be a further aggravation of the inequity when the terms of the postal agreement go into effect on July 1, will the President of the Treasury Board move immediately to remove this inequity which requires a mandate from the Treasury Board that has not as yet been forthcoming?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I already said that no later than this morning I did authorize offers which were more generous than the previous ones, but these offers, however, must remain within the scope of the guidelines issued by the House of Commons last October.

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[*English*]

INQUIRY OF THE MINISTRY

Mr. Gordon Towers (Red Deer): Mr. Speaker, in view of the statement made by the hon. member for Vancouver-Kingsway to a reporter that the government is imposing itself upon the news media to too great an extent through the provisions of Bill C-58, which could have far reaching effects on the freedom of the press, and the response to that statement by the Secretary of State in Red Deer on the weekend that this was "nonsense", will the Acting Prime Minister state which statement is correct?

Some hon. Members: Oh, oh!

An hon. Member: Come on Mitch; explain it if you can.

* * *

GRAIN

EFFECT ON PRODUCERS OF NEW FEED GRAIN FREIGHT ASSISTANCE POLICY

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I should like to ask the Minister of Transport whether, with the introduction of the new feed grain freight assistance, he has in fact brought out a new policy which will result in a lower return to western producers? I would also ask him how this policy of "producer pay" squares with his "user pay" policy?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the policy is not new since it was announced first as an intention of feed grain policy in both 1973 and 1974, specifically on May 22, 1974, in this House. It may have a margin-

al impact upon grain returns, although it applies obviously only to a small portion of the grain market and, therefore, it can only affect that portion. In particular, of course, it can benefit not only the full region of the country but to the whole country because it may lead to more sensible use of transportation than happens when one form of goods is subsidized and another form is not.

Mr. Korchinski: This feed grain has to be considered in relation to U.S. corn, the price of which in many instances is going to be lower than the asking price the Wheat Board has been quoting. Does that not in turn give a lower return to western producers, and how does that square with his user pay policy which he has indicated as far as transportation is concerned?

Mr. Lang: Mr. Speaker, that is a different matter. The question of the Wheat Board's willingness to price on a corn competitive basis is really a choice to use the North American pricing system as a fallback position, because ordinarily grain will be obtained on the open market for the domestic market in Canada. Instead of using its export price it will be using a corn competitive price in Montreal. It would always have been willing to offer at an export price. Over time it is quite possible that the same return will result to farmers from the corn competitive price as from the export price. There will be sometimes an up side and sometimes a down side, but the Wheat Board is perfectly willing to go to this system in marketing grains.

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UNEMPLOYMENT INSURANCE

EFFECT ON REGIONAL OFFICE AT BELLEVILLE OF MERGING WITH MANPOWER OFFICES

Mr. J. R. Ellis (Hastings): Mr. Speaker, recently the Minister of Manpower and Immigration announced to this House he was going to put UIC and Canada Manpower back together, a policy we have encouraged for some years. Will the minister indicate whether he is physically going to merge the manpower centres and unemployment insurance offices at the local level and, if so, what effect will this have on the regional office at Belleville, or, if he is going to join them together physically at headquarters, does he intend to move the Canada Manpower headquarters to Belleville to join the regional unemployment insurance headquarters there?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, the proposal is to phase this integration probably over as much as three years because we want to ensure that the delivery of service is not jeopardized, and that sort of thing. The local office amalgamations will probably be in the third phase after regional and headquarters arrangements are complete. I cannot be specific with regard to the Belleville operation, which is a pay centre and not one necessarily affected. We will have to await further details of the plan before I can give the answer.

● (1440)

PUBLIC SERVICE

TASK FORCE TO EXAMINE EMPLOYER-EMPLOYEE RELATIONSHIPS—STUDY OF COMPARABILITY WITH PRIVATE SECTOR COUNTERPARTS

Hon. Martin O'Connell (Scarborough East): Mr. Speaker, I have a question for the President of the Treasury Board. Yesterday the President of the Privy Council stated with regard to Public Service collective bargaining the Finkelman Report and the recommendations of the joint committee of this parliament, that an interagency task force would be established to examine among other things, the principles to foster good employer-employee relationships within the public service. Will this task force be mandated to examine the principles and practices of fair comparability of compensation of public servants with their outside counterparts as an alternative to the adversary or conflict system which is fast outliving its usefulness?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, the statement was made yesterday by the President of the Privy Council who is responsible for that act. Naturally, Treasury Board is involved in the matter and before we introduce new legislation in the House we will consider all aspects of the problem including that mentioned by the hon. member. However, I must say that even now the Senate and Commons committee has prepared an excellent report on this problem on which any new legislation we propose will certainly be based.

* * *

[*English*]

INDUSTRY

ALLEGED REFUSAL OF PRATT AND WHITNEY IN UNITED STATES TO ALLOW CANADIAN SUBSIDIARY CONTRACT WITH ROLLS-ROYCE—GOVERNMENT ACTION

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce. It has to do with the Pratt and Whitney case and the potential loss of up to 1,000 jobs in this country. I should like to ask the minister whether or not he has had an opportunity yet since we questioned him last to talk to those companies and to his political equivalents in the United States? If so, can he tell the House what the future is of this contract between Pratt and Whitney and the Rolls-Royce Company?

Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce): Mr. Speaker, I did indeed take up this matter with Commerce Secretary Richardson shortly after the matter first came to light in Canada. He undertook to have it examined in more detail in the United States. So far as I am aware the situation is unchanged from the last time I described it to the House, namely that no, in a sense, formal request has been made to the appropriate United States department for a ruling. I think it is fair to say in the best diplomatic terms that I made it perfectly clear to Secretary Richardson that we would look upon this as a most unsatisfactory situation if indeed extra-territoriality

were to be applied to the United States law. I think as a result probably some solution will be found. I might add that I have not yet spoken with the company but propose to do so in a matter of a few days or I think at the outside a week.

Mr. Nystrom: Mr. Speaker, unfortunately the Minister of Consumer and Corporate Affairs is not in the House and perhaps the Minister of Industry, Trade and Commerce could answer this question. On May 4 the Minister of Consumer and Corporate Affairs brought this matter to the attention of the Combines Investigation Branch and asked it to investigate whether or not there was a breach of the act. I wonder if the minister could tell us if that investigation is complete, if the Combines Investigation Branch has made its report, and if indeed there has been a breach of the act?

Mr. Jamieson: Mr. Speaker, regrettably I cannot give the hon. member the answer because I have not heard directly from the Department of Consumer and Corporate Affairs. So I am afraid he will have to await the minister's attendance in the House to get the answer from that side of it.

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AIR TRANSPORT

ALLEGED IMPROPER BILLING OF AIRLINES BY TRAVEL AGENCIES—GOVERNMENT ACTION

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I have a question for the Minister of Transport. Has the minister, who can hardly complain about lack of notice on this matter, looked into the serious matter of long-standing improper billing practices by Canadian travel agents, as set out in a joint letter by the responsible officers of Air Canada and CP Air over one year ago which I brought to the attention of his parliamentary secretary in his absence on November 26 last year?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I do not have a report at hand on that but I will be glad to see what stage the work has reached.

Mr. MacKay: Mr. Speaker, I thank the minister for his answer. In view of the fact that only last week I had a very serious complaint from a major travel agent on this matter who also informed me that the RCMP had the matter brought to their attention recently, would the minister continue his not so intensive efforts and report to the House as soon as possible?

Mr. Lang: Mr. Speaker, I will see if there is anything to present to the House. I am basically satisfied with the way in which the matter is being looked at.

[Mr. Jamieson.]

ROYAL CANADIAN MOUNTED POLICE

PROPOSED INVESTIGATION OF SALE OF OLYMPIC LOTTERY TICKETS—GOVERNMENT ACTION

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, my question is directed to the Solicitor General. In view of the fact that the Olympic lottery is coming to an end to be replaced by Loto-Canada under a Crown corporation could the minister advise this House whether or not an investigation by members of the RCMP and other police agencies is taking place with regard to improprieties and irregularities in the sale and distribution of Olympic lottery tickets, particularly in the case of one Marcel Lambert, not to be confused with the illustrious member for Edmonton West, who is alleged to be selling these tickets in Montreal and elsewhere without having gone through the appropriate distribution sources? If he is not aware of such improprieties is the minister prepared to look into the matter?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, there is an investigation by the RCMP into possible fraud in respect of the distribution of Olympic lottery tickets. I understand the investigation is in Ontario. I do not have more details at this time.

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OLYMPIC GAMES

REQUEST FOR INVESTIGATION OF RECORDS TO ASSURE ACTUARIAL SOUNDNESS OF LOTTERY

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, in the absence of the Postmaster General and the Minister of Consumer and Corporate Affairs I should like to put my supplementary question to the Acting Prime Minister. In view of the fact that several weeks ago the Postmaster General assured this House that the Olympic lottery program had changed its procedures regarding its draws in accordance with the lottery advertising campaign and because of the fact that the second to last lottery had 980,000 unsold tickets left on its computers thus reducing considerably the chances of ticket holders and at the same time making the advertising program in this case misleading to the public, could the Acting Prime Minister assure this House that for the sake of fairness to the consumer the government will check into the records of Salmon, Blair and Associates in Montreal to determine once and for all the actuarial soundness of the Olympic lottery program?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, as the House is aware my colleague the President of the Treasury Board put before the House the other day the supplementary estimates A which have been referred to the Committee on Miscellaneous Estimates. I should think that is the place where the administration can be cross-examined and where questions on that case can be answered.

TRANSPORT

BRITISH COLUMBIA FERRIES—REQUEST FOR FEDERAL SUBSIDY

Mr. Hugh A. Anderson (Comox-Alberni): Mr. Speaker, my question is for the Minister of Transport. As the minister is aware many residents of British Columbia view the Vancouver-Nanaimo and Vancouver-Victoria ferries as an integral part of the Trans-Canada highway and since the Government of Canada subsidizes ferries operating between the maritime provinces, can the minister advise this House if the province of British Columbia has requested federal funds and is the Minister favourable to financial relief for British Columbia and in particular Vancouver Island?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I am not aware of a recent request from British Columbia in this connection but that may well be explained by the possibility that they know our answer which is that we are attempting to elaborate a broad policy toward ferry services in this country and will be undertaking discussions with the province about it. It is not the policy to support ferries serving between points within a province. As well as the existing questions there are other questions which apply to the discussion where we are attempting to resolve what should be the responsibility of the provinces and municipalities for ferries of this type.

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INQUIRY OF THE MINISTRY

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I have a question I should like to direct to the President of the Privy Council. Earlier in the question period he undertook that the Minister of Supply and Services would be in his place today to answer certain questions. We had contracted his office to ensure that he was still in town and he was. Has the minister sent out a search party to find the Minister of Supply and Services and, if not, would he do so because we are quite anxious to ask those questions.

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, I am glad that the detective-like qualities of the opposition are such that they know that the minister is here. He will be in the House. He intends to make a statement on a question of privilege at three o'clock, according to my understanding.

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● (1450)

IMMIGRATION

POSSIBILITY IMMIGRATION DETERMINED ON BASIS OF UNEMPLOYMENT RATES

Mr. Jake Epp (Provencher): Mr. Speaker, my question is for the Minister of Manpower and Immigration. In a press release issued from the office of the Prime Minister dated May 28, 1976, the Prime Minister announced the establishment of an employment and immigration commission. I would like to ask the minister whether all future immigration to Canada, with the exception of refugees, will now be determined on the basis of unemployment rates and job vacancy rates, and will immigrants be forced to settle in areas of high employment activity for a specified period of time?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, the proposed amalgamation of the department and the Unemployment Insurance Commission will not have any policy or process effect on the matter the hon. member is raising. As the hon. member knows, we are looking at some of those options and suggestions which were made by the joint committee of the House of Commons and the Senate which referred to some of those points. We are reviewing that preparatory to introducing the new immigration bill in the fall session.

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[*Translation*]

MANPOWER

LOCAL INITIATIVES PROGRAM—REQUEST FOR PERMISSION TO CONTINUE PROJECTS WITHOUT FURTHER FUNDS

Mr. Roch La Salle (Joliette): Mr. Speaker, my question is also directed to the Minister of Manpower and Immigration.

As some LIP projects will not be completed by the prescribed date, and as there is still money left at the disposal of their promoters, will the minister be willing, in cases where for serious reasons, a project cannot be completed within the time limit prescribed, to make it possible for those promoters to continue the work so that projects may be completed generally without further funds?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I think I could only reply by asking the hon. member to give me specific cases, suggestions or recommendations dealing with individual projects, and while I cannot guarantee an answer which will be yes, I will be prepared to consider this.

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PUBLICATIONS

POSSIBILITY OF ACTION TO CONTROL DISTRIBUTION OF MAGAZINES—GOVERNMENT POSITION

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, my question is to the Secretary of State. The minister has frequently expressed concern about foreign domination of the film distribution industry in Canada and has in fact encouraged provincial departments to initiate legislation in this area. I would like to ask the minister whether he has worked with the same intensity to bring magazine distribution under domestic control and in a way which would limit exploitation of sex and the almost unabated flow of pornography into this country.

Hon. James Hugh Faulkner (Secretary of State): No, Mr. Speaker, I do not think I would approach that with the same degree of zest.

Mr. Friesen: I would like to ask the Secretary of State why it is that he is anxious to preserve a choice between *Penthouse* and *Oui* but not between *Time* and *Maclean's*.

Mr. Faulkner: Because I read the latter and not the former.

Some hon. Members: Hear, hear!

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REGIONAL ECONOMIC EXPANSION

POSSIBLE INCREASE IN BUDGET OF DEPARTMENT IN VIEW OF NEW PROGRAMS

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. On Friday last the minister mentioned some exciting new research, new programs and new proposals to the cabinet to solve the economic problems of the Atlantic provinces. Does the minister expect to have his budget increased or supplemented to achieve these things?

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, I am not looking for an increase in my budget this year.

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[*Translation*]

COMMUNICATIONS

POSSIBILITY OF REVISING DECISION TO GRANT TELESAT CONTRACTS TO RCA LIMITED

Mr. Frank W. Maine (Wellington): Mr. Speaker, my question is directed to the hon. Minister of Communications.

The next contracts to be entered into between Telesat Canada and RCA Limited will make RCA Canada the major supplier for Anik IV, the first satellite of the Anik B series. Since RCA in New York has decided to rationalize its operations in North America by closing its research facilities in Canada—which reduces Canada to the rank of 51st state—would the minister seriously reconsider the decision to award the Telesat contracts to RCA?

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, I do not see what good it would do to the Canadian people if I decided to review the contracts. Under the regulations governing Telesat, it is mandatory that the contracts awarded by Telesat to any company be reviewed by the Minister of Communications to make sure that those contracts have a Canadian content. Telesat has therefore ordered a number of parts from RCA to build its satellite, and if I were to review those contracts, I do not see how I might increase the Canadian content of the satellite. The contracts awarded by Telesat are carried out in Canada by Canadians and will create jobs for Canadians here in Canada.

[*English*]

SOCIAL SECURITY

ALLEGED CONSIDERATION OF ELIMINATION OF COST-OF-LIVING INCREASES FROM FAMILY ALLOWANCE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in the absence of the Minister of National Health and Welfare, may I address a question to the minister answering for him today or perhaps to the Parliamentary Secretary to the Minister of National Health and Welfare. In view of a report in today's Ottawa *Journal* that the federal government is considering the elimination—not just for 1976 but on a permanent basis—of any further cost-of-living increases in family allowances, may I ask if the government is giving consideration to such an incredible course of action?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I am glad to inform hon. members that there is no such proposal being put forward by the federal government at the federal-provincial welfare ministers conference, which the minister is chairing this afternoon.

An hon. Member: Prove it.

Mr. Kaplan: Further, no such proposal has been made to Cabinet—

An hon. Member: How do you know?

Mr. Kaplan: —and further, the minister has no intention of making any such proposal.

Some hon. Members: Hear, hear!

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FRESHWATER FISH MARKETING CORPORATION

REQUEST FOR ANALYSIS OF PROCESSING COSTS—GOVERNMENT POSITION

Mr. Dean Whiteway (Selkirk): Mr. Speaker, my question is for the Minister of State (Fisheries). In the knowledge of the fact that the capital investment of the Freshwater Fish Marketing Corporation is the money of fishermen and not tax money, would the minister now consent to have an analysis of the processing costs and to have an open and frank discussion with the fishermen whose money the corporation is using?

Hon. Roméo LeBlanc (Minister of State (Fisheries)): Mr. Speaker, I certainly take issue with that suggestion. There has been a considerable amount of money coming from the people of Canada to the Freshwater Fish Marketing Corporation. With that I do not quibble. I think it is a good idea. The return to fishermen has improved ever since. Obviously, if by hindsight we knew that the lakes could produce only a certain level of catch, we might not have built a plant which would be as expensive as we now have, but we must proceed with the plant we have, and that plant is subject to direction from a board which is representative of the provinces and of the fishermen. The hon. member must make up his mind; either he wants the

corporation to try to help the fishermen or not, and on that issue I would like to hear his views.

Mr. Whiteway: In view of the fact that I will be on the late show tonight, the minister will have an opportunity to hear my views.

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GRAIN

EFFECT OF NEW FEED GRAIN ASSISTANCE POLICY ON CERTAIN AREAS OF BRITISH COLUMBIA

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, my question is for the Minister of Transport, and it is with regard to the announced intention yesterday to phase out in certain parts of our country the domestic feed grain assistance program. My concern is about the province of British Columbia, and I would like to ask the minister whether consideration has been given to specific regions of that province, particularly the central regions where cattlemen have found this program to be essential to the survival of their industry.

Further, since the goal of the policy is to encourage local grain production, how is the production in the Peace River country, the major area in British Columbia producing feed grain, which is 800 miles north of Vancouver, going to be helped?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the programs for encouraging grain production will be essentially aimed at those areas where there is a deficiency of grain and a grain potential greater than is now being realized. The province of British Columbia has had a smaller deduction in feed freight assistance than generally elsewhere, recognizing the slightly higher freight cost in view of the difference in cost of moving grain west rather than east in the domestic market, which is something of a long standing anomaly. In fact, most regions of British Columbia may well be better off in terms of being purchasers of grain under the new program because whenever the Wheat Board is selling on a corn competitive basis, the western elevator price will be lower to the extent that feed freight assistance has been removed, and that may end up benefiting British Columbia.

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● (1500)

PARLIAMENT HILL

INCLUSION OF EAST BLOCK WITHIN JURISDICTION OF PARLIAMENT

Mr. Speaker: Before we continue our proceedings, I have an announcement which I feel may be of some interest to hon. members, having to do with a decision to bring the East Block under the jurisdiction of parliament.

I think it is safe to say that a great majority of members on all sides of this House and in the Senate have found it anomalous that this building, which is so evidently an integral part of Parliament Hill, remains outside our jurisdiction, while we continue to occupy buildings outside this area as necessary accommodation for members and support staff.

It was, therefore, not surprising that this opinion came through quite clearly during the deliberations of the Abbott Commission on Parliamentary Accommodation which is headed by the very distinguished former minister of this House—in which capacity he incidentally occupied an office in the East Block—and consists of Speakers of both Houses of Parliament, as well as many members, senators and former parliamentarians of all parties of this House. It also came to light during discussions in the Abbott commission that a number of conditions were coming together in this year which might maximize the opportunity to bring this building within parliamentary jurisdiction. After consultation with the Speaker of the Senate and with House leaders and other members, I raised the question with the Prime Minister in a letter dated March 18, 1976, a copy of which I am tabling for the information of hon. members.

The Prime Minister acknowledged my letter on March 26 on an interim basis, and followed that with a letter to me dated May 15, indicating that the request had been favourably received, subject to certain reservations, the most significant of which are as follows:

(1) the future occupancy of the East Block should be predominantly by parliamentarians and necessary support staff, rather than by support services;

(2) the historic quality of the East Block should be preserved in accordance with the existing plan developed by the Department of Public Works;

(3) more particularly, the rooms in the East Block that have been identified as having historic significance should be restored and open to the public;

(4) amongst these rooms, the East Block cabinet chamber, the ante-chamber, the Clerk's office and adjoining office, should not only be preserved for their historic interest but should be available as required for occasional use by cabinet committees and particularly for ceremonial occasions;

(5) improved cabinet and cabinet committee facilities should be provided for in the Centre Block.

I should also tell hon. members that, as members of the Senate are obviously involved, the Speaker of the Senate will be advising members of that House of these developments, through a similar announcement at this next sitting.

I trust that all hon. members will welcome this event which will bring this very historic building into the parliamentary ambit.

Some hon. Members: Hear, hear!

Mr. Crouse: Mr. Speaker, I wish to raise a point of order dealing with a question I put yesterday in the House to the Minister of State for Fisheries with regard to the government's intention to declare a 200-mile limit and the effect of such declaration on ICNAF quotas. In reply the minister stated that I should read these agreements, and he stated that they make it clear that the allowable catch would be fixed by Canada and not by an international organization. Without burdening the House with all the agreement, Mr.

Speaker, I have in my hand the agreement between the government of the Union of Soviet Socialist Republics on their mutual fisheries relations. The third paragraph begins:

Recognizing that the government of Canada proposes to extend its jurisdiction over the living resources of its adjacent waters pursuant to and in accordance with relevant principles of international law—

On the second page, article II, paragraph 1, begins:

The government of Canada undertakes, upon the extension of the area under Canadian fisheries jurisdiction, to permit U.S.S.R. vessels to fish within this area—

I raise this matter because of the tremendous economic importance it has for Atlantic Canada. I think it is incumbent upon the minister and upon the government to indicate whether the Union of Soviet Socialist Republics recognizes Canada's right unilaterally to declare a 200-mile limit under this particular agreement. If they do, then Canada can declare a 200-mile limit and the terms of this agreement would be applicable.

If the interpretation that I have placed upon this agreement is correct, I think it is mandatory that the minister should also give an indication of whether it is the government's intention to declare a 200-mile limit before all the resources on our continental shelf are raped, pillaged and plundered to the point where they are no longer available to anyone.

Mr. Speaker: Order, please. This may be a matter of great interest to Atlantic Canada and Canadians everywhere, but I have the greatest difficulty fitting it into the pattern of a point of order in any respect. The minister may want to contribute, but it is, in a sense, more a legal point rather than a point of order.

Mr. LeBlanc (Westmorland-Kent): Very briefly, Mr. Speaker, I would have to look at the hon. member's question in *Hansard*, and I have not had time to do that yet. We have made it clear that these agreements will cover the relationship that will exist between Canada and those nations with whom we have concluded bilateral agreements when, and if, Canadian extension of jurisdiction takes place without specifying the way in which this extension may take place. These bilateral agreements will come into effect with extension of jurisdiction. As to whether Canada will extend jurisdiction, that is a matter which is before cabinet with the decision on policy to be announced by the Secretary of State for External Affairs.

Mr. Goyer: Mr. Speaker, I wish to correct a statement that I made in the House yesterday in response to a question from the hon. member for Victoria. This question was in relation to whether a representative from my department on the LRPA project team was aware before December 2, 1975, that Lockheed had given verbal assurance that it could provide financing to meet the Department of National Defence's cash shortfall in the first three years of the project. But first I should like to reiterate two points which I have repeatedly stressed both in this House and outside parliament. First, the financing of any contract entered into by the Department of Supply and Services is the prime and exclusive responsibility of the customer department, in this case the Department of National Defence.

[Mr. Crouse.]

An hon. Member: Pass the buck.

Mr. Goyer: Second, on December 2, 1975, when a telex was sent to Lockheed confirming the government's intention to purchase 18 "Orion" aircraft, neither myself nor my deputy minister was made aware, directly or indirectly, of a telephone conversation held between an official of the Department of National Defence and a representative of Lockheed to the effect that Lockheed would furnish the financing for the LRPA project. In any case, I repeat that not obtaining a written agreement from Lockheed was a serious error. It is elementary that an agreement involving a loan of millions of dollars should have been confirmed in a written document. This was not done. Furthermore, the offer never did materialize. In this respect, I refer to the statements of my colleague, the Minister of National Defence, which appear in *Hansard* dated March 30, 1976, on page 12265 and March 26, 1976, page 12177.

Personally, I might add that it was also a very serious mistake that the minister responsible for negotiating the agreement with Lockheed was not informed of the basic funding difficulties before December 2, 1975, and that the proposed solution rested upon a verbal agreement. The statement I made yesterday was that neither myself nor my deputy, nor my representative in the LRPA project office was aware of the possibility of Lockheed furnishing the financing for the LRPA project. The factual statement is that neither myself nor my deputy nor, as I stated in the House on May 25, 1976, on page 13794 of *Hansard*, the representative of my department on the management committee was aware of the possibility of that financial arrangement. For the information of the House, the representative on the LRPA management committee was my former assistant deputy minister, the late Eric Booth. The portion of the statement that I wish to clarify concerns Mr. L. H. Stopforth who, as my representative on the LRPA project group, I now find was aware of financing discussions held between DND and Lockheed in mid-November 1975.

● (1510)

During the past months I have repeatedly attempted to ascertain whether or not any officials of my department were aware of the financing negotiations held between DND and Lockheed prior to December 2, 1975. I repeatedly was assured that no one had prior knowledge of this problem, and I conveyed this information to the House. On May 19, in view of the numerous questions raised by members in the House, I personally met, in the presence of my deputy minister, Mr. L. H. Stopforth, who assured me that he had no prior information concerning the financial negotiations between DND and Lockheed. Ministers, acting on the representations and advice of their civil servants, must rely on the information they receive on these matters on the basis of trust. Last evening, however—and it was confirmed to me this morning—I learned that Mr. L. H. Stopforth had modified his version to state that, while he had not been privy to conversations between DND and Lockheed, he was aware of the financing discussions with Lockheed in November, 1975.

I take my ministerial responsibilities very seriously with regard to the policies and administrative practices of my department. Accordingly, I will stand by my officials and I

accept responsibility for errors of judgment, mistakes made in good faith and inadvertent errors. But I do not believe that ministerial responsibility extends to cases of misinformation or gross negligence. In this case, a serious error was committed. Not only were I and my deputy minister not informed of financial negotiations between DND and Lockheed prior to December 2, but subsequently, when I personally checked on this situation, I remained misinformed. This is unacceptable. My view is that while ministerial responsibility is of prime importance, every public servant, regardless of his interest in politics, also holds the public trust to some extent. Every public servant is in a position of responsibility, and the responsibility here was to ensure that the minister, the House and the public were correctly informed.

I feel very strongly about officials who misinform their minister. While I am not against any man or any organization, I believe that preserving the integrity and the efficiency of our system of government comes first. The public must believe that the system serves it well. The public must respect the public service. The public has a right to be accurately informed. My ministerial responsibility in this case is to see that these rights are preserved. Consequently, Mr. L. H. Stopforth has been removed from his functions as deputy head of the project office.

Mr. McKinnon: Mr. Speaker, I find it incredible that the minister, having pilloried General Allen for weeks about this matter, has now turned on Mr. Stopforth and criticized him for the same offence.

Mr. Paproski: If anybody should resign, it should be you, Goyer.

Mr. McKinnon: At least the truth is now beginning to come out. I do not want the minister to think for a minute that this is the end of the Lockheed, LRPA case. Far too many questions remain unanswered. The minister carefully neglected to say anything of his knowledge, or lack of knowledge, of the shortfall in the National Defence budget, which is implicit in the details and record of this sorry case. I wish to express my regret and that of most members of this House for the disservice which has been done to an officer and a gentleman.

Some hon. Members: Hear, hear!

Mr. McKinnon: General Allen, throughout this entire case, told nothing but the truth. It was hard going to be the only one giving evidence before the defence committee or, when, everyone else gave conflicting evidence, to see nothing happen to them. That was difficult for him to understand. As one goes over these events, one is puzzled to understand why the two ministers of the Crown were the last to be able to learn from the record, whereas the opposition had only the shards of evidence, the little word here and the small answer there dragged out of the government on which to form the conclusion which the minister eventually reached last night, that he did not know what was going on. I do not wish to go on an length. I suppose we can at least be thankful for General Allen's reputation having been cleared in this. Please do not think this is the end of it.

Mr. Paproski: The minister shakes his head, as if to say no.

Mr. McKinnon: I notice that the Minister of Supply and Services shook his head when I suggested General Allen's reputation has been cleared. I hope we shall be able to straighten that out, too.

Mr. Paproski: Say it. Say his reputation is cleared.

Mr. Munro (Esquimalt-Saanich): Chicken!

Mr. Broadbent: Mr. Speaker, let me say, in commenting on the minister's question of privilege which strikes me as being more in the form of a statement on motions—but that is a quibble—that we of the New Democratic Party agree with part of the course of action the minister outlined, which was based on the set of facts he described. If a man in a position of responsibility, a position like that of Mr. Stopforth, does not carry out his responsibilities in the way the minister described, the least the minister should do is remove that man from his position. We are in agreement with the minister on that.

I wish to make two further points. First, we do not agree with the minister's description of his ministerial responsibilities up to this point with regard to his negotiations with Lockheed. We cannot understand how he could say, as he did in the House recently—and I am giving the gist of his remarks, not repeating his exact words—that his only responsibility is to pass some kind of final judgment on a financial arrangement which had been principally worked out by another department. He also said, if I remember correctly—and we shall check *Hansard* with care, as is appropriate in these circumstances—that his department could not be responsible for going into all the details of such contracts with all departments.

If that is his view, a number of questions arise. One may ask, what was his representative doing on the multidepartmental committee which for months, indeed years, was investigating the Lockheed project, if in fact he was not looking into the financial details of the kind of contract which would be entered into. On the face of it, it seems clear to me that on a national, major project his representative on the committee should have been doing just that. Indeed, that is what the committee was all about. I repeat, we approach the question of the minister's description of his own departmental responsibilities with considerable skepticism. We shall say more about this later.

Second, to allude to what the minister said in the House, without question one minister and his officials were clearly at fault. We cannot shift the ultimate blame to the officials in this case. The blame must reside with the minister, in this case the Minister of National Defence. There can be no question of that, and the Minister of Supply and Services reiterated the point this afternoon, that the one man who had immense responsibility, given the amount of money that was involved in not only negotiating but getting in writing the details of the financial commitments on the Lockheed projects, was the Minister of National Defence. There can be no question about that. The minister directly asserted his belief on that point again today.

● (1520)

I repeat, on behalf of my colleagues, that the Minister of National Defence—and we will see later about the Minister of Supply and Services—must now, in the words of a fellow member of the cabinet, acknowledge the colossal blundering on this project. He should at long last assume his responsibility to the taxpayers of Canada and resign his position.

Mr. Speaker: Order, please. The minister has raised a question of privilege and has taken certain steps which are quite important to the House. I have concern, also, because this day has been set aside for a motion in the name of the opposition, specifically, the Social Credit party. While there is much interest in the topic, it is obviously one on which further information and development will unfold.

It has already been indicated that there will be further questions of this minister as well as the Minister of National Defence on this matter. The discretion of the Chair must be exercised in such a way as to ensure a proper and full debate on the subject set down for discussion in the name of the Social Credit party. My preference at the moment would be to discontinue. However, because there ought to be a spokesman from the Social Credit party on this subject, it will be their option to discontinue the subject completely and get on to orders of the day and permit them to proceed.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I will make some very brief comments on the same point, considering your earlier remarks.

I listened with great interest to what the New Democratic Party leader (Mr. Broadbent) said, which pretty well sums up our own concerns about the announcement just made by the Minister of Supply and Services (Mr. Goyer). He indirectly held the Minister of National Defence responsible for this whole affair. What remains less clear, Mr. Speaker, is the minister's own definition of ministerial responsibility. As far as I know, any minister is responsible for his department and for the conduct or actions of that department.

Yesterday the minister was telling us that these were the answers he could provide the House, and he was asking us to believe what he was saying. Today, because an incident took place, the minister is asking us again to have implicit faith in him, which I am willing to do, and then he goes on to announce the transfer of a senior official.

Mr. Speaker, he is a victim of the system and the transfer will not basically alter the system. Senior officials are still the ones who actually run the departments. Ministers are only so-called spokesmen in the House. Ministers do not run their departments, they are controlled by their source of information, their senior officials and deputy ministers who have more power than the ministers. They even have a regulatory power which often goes beyond the instructions given by the legislators.

Our party is quite interested in this matter. Today's motion deals precisely with this subject. When we state, among other things, that "this attitude distorts the purpose the legislators have in mind and deprives this House of its real customary powers", this is what we mean.

[Mr. Broadbent.]

Mr. Speaker, I will take this opportunity to tell the Minister of Supply and Services who is proving to us today, or at least trying to do so, that he is responsible for his department and that whenever he is informed of unusual events, he takes appropriate action. Good for him! However, Mr. Speaker, while he is in such a mood, let him try to convince his colleagues to put a stop to this practice of hiring defeated Liberal candidates to entrust them with official or special assistant positions on account of their political affiliation and not because they are competent.

Mr. Speaker, if the minister and his colleagues are consistent, if they really want to prove that they actually manage and control something in their departments, let them hire people according to their competence and not because of political ties, or else they will continue to be the joke of the system.

QUESTIONS ON THE ORDER PAPER

[*Translation*]

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 3,965, 4,986, 5,030, 5,143, 5,219, 5,265, 5,290, 5,325, 5,406, 5,430, 5,452 and 5,537.

[*Text*]

COURT COSTS IN RESPECT OF MINISTER OF CONSUMER AND CORPORATE AFFAIRS CONTEMPT OF COURT CHARGES

Question No. 3,965—**Mr. MacKay:**

Were any of the Minister of Consumer and Corporate Affairs' legal or other costs in respect of the contempt of court charges preferred against him borne by the government and, if so (a) what were the costs (b) the amounts involved (c) under what authority were they assumed or paid?

Hon. Mitchell Sharp (President of the Privy Council): No.

DIRECTOR GENERAL OF COMMUNICATIONS

Question No. 4,986—**Mr. Baker (Grenville-Carleton):**

1. Who is the current Director General of Communications in the Canadian International Development Agency?

2. On what date was he appointed and with what (a) classification (b) salary range?

3. Was such appointment made following (a) an internal (b) a public competition and, if so, for what reason?

4. (a) What was the successful candidate's previous employment record prior to such appointment (b) what was his experience and other factors on which he was judged qualified for the position?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): 1. Mr. Paul-Émile Doucet.

2. Mr. Doucet was assigned on January 19, 1976, through the Interchange Canada Program. (a) SX-1; (b) $27,500-$36,500.

3. (a) No; (b) There was no public competition because the assignment was made through the Interchange Canada Program coordinated by the Public Service Commission. This program provides opportunities for senior persons to broaden their experience in different milieux. In this case it arranged for a communications expert to work within a government Agency.

4. (a) From 1963 to 1967, Mr. Doucet was Assistant Director of *Maintenant*, a monthly magazine published in Montreal. Since 1965, he has been a frequent contributor to public affairs programs of CBC (radio and television), in various capacities, i.e. as researcher, host and supervisor. In 1971 and 1972, he was responsible for the creation of a Division of Communications in the Department of Social Affairs of Quebec. He was later a journalist on the public affairs radio program *Présent* of Radio-Canada, and has been following closely events related to international development, including the seminar organized by ECOSOC on Multinationals, the 7th Special Session of the United Nations on the New International Economic Order (September 1975), and the Paris Conference on International Economic Cooperation; (b) Mr. Doucet holds a Master's degree in Philosophy. He pursued further studies in Sociology of Organization and Communication at l'École pratique des Hautes études in Paris and McGill University in Montreal. Mr. Doucet has a strong background in the field of communication and based on this along with interview results, he was declared qualified to perform the functions of the Director-General position.

AIR CANADA PENSIONS

Question No. 5,030—**Mr. Whittaker:**

1. Are Messrs. Pratte and Menard, recently resigned from Air Canada, in receipt of a full pension?

2. Are they receiving first class travel privileges?

3. What other fringe benefits do they receive?

4. Are any of the privileges, they presently receive, for life?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The management of Air Canada advises as follows: 1, 2, 3, 4. Air Canada does not disclose information respecting pensions and other compensations received by executives.

CANADA COUNCIL GRANTS

Question No. 5,143—**Mr. Cossitt:**

With reference to the answer to Question No. 4,023, which stated in part that the Canada Council bases its decisions on awarding grants on the recommendations of "assessors chosen for their expertise in the particular subject or research area" (a) by what methods are the assessors selected or chosen (b) what are the names and job designations of those on the Canada Council who chose the assessors (c) what remuneration, if any, is received by an assessor and for how long does such an individual hold a post (d) what are the reasons that the names of such assessors are regarded as confidential and not available to Parliament?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): I am informed by the Canada Council as follows: (a) Operating as it does under a "peer review" system for the assessment of applications, the Canada Council has built up over the years a large pool of international specialists in the humanities and social sciences. The lists are kept up to date through consultation with scholars and experts in each field and through perusal of learned journals and other academic publications. About 6,000 assessors are consulted each year, including those named as referees by applicants; (b) Approximately twenty officers holding a master's or a doctoral degree in the humanities or social sciences are involved in the selection of assessors and they inform applicants of the comments of assessors. The Council's Advisory Academic Panel, in reviewing all major applications, considers the appropriateness of the chosen experts. The members of the Panel are listed in the Council's annual report; (c) An assessor receives an honorarium of $25 for each project he assesses, although on rare occasions when the proposal is extremely complex, he may be offered $50 or $100. Assessors are not employed on a retainer basis—they are consulted as the need arises; (d) When assessors are asked to evaluate a project, they are guaranteed anonymity. It is felt that otherwise scholars might be reluctant to express judgments on the work of their peers.

AIR CANADA PENSIONS

Question No. 5,219—**Mr. Reynolds:**

1. Are Messrs. Pratte and Menard receiving a pension from Air Canada and, if so, how much per year?

2. Do they have any free travelling privileges with Air Canada?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The management of Air Canada advises as follows: 1 and 2. Air Canada does not disclose information respecting pensions and other compensations received by executives.

AIR CANADA PASSES

Question No. 5,265—**Mr. Cossitt:**

1. Have any members of the families of Cabinet Ministers or the Prime Minister held Air Canada passes during 1975 or hold such passes for 1976 and, if so, in each case, what are their names?

2. Are such passes valid on all domestic and foreign routes travelled by Air Canada?

3. What are the reasons for this free government transportation for persons who are not employed directly with the government?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The management of Air Canada advises as follows: 1. See Following list. Also see reply to question No. 2,315 answered on June 19, 1975 and supplementary reply answered on July 18, 1975.

2. Term or "annual" passes are valid for all Air Canada routes. Individual trip passes are valid for use only once on the specific route designated on the pass.

3. These passes are issued so that the spouses of Cabinet Ministers may travel with them on certain specific occasions. 1975: Individual Trip Pass Issues—Family Members of Cabinet Ministers. Mrs. W. Allmand, Mrs. R. Andras, Mrs. R. Basford, Mrs. J. Buchanan, Mrs. J. Chrétien, Mrs. G. Danson, Mrs. H. Faulkner, Mrs. J. Jerome, Mrs. D. Jamieson, Mrs. J. P. Goyer, Mrs. M. Lalonde, Mrs. O. Lang, Mrs. D. Macdonald, Mrs. B. Mackasey, Mrs. J. Marchand, Mrs. A. Ouellet, Mrs. R. Perrault, Mrs. J. Turner, Hon. M. Sauvé, Mrs. E. Whelan. 1976: Individual Trip Pass Issues—

Order Paper Questions

Family Members of Cabinet Ministers (to April 28, 1976). Mrs. W. Allmand, Mrs. R. Andras, Mrs. R. Basford, Mrs. J. Buchanan, Mrs. J. Chrétien, Mrs. G. Danson, Mrs. H. Faulkner, Mrs. J. Jerome, Mrs. D. Jamieson, Mrs. M. Lalonde, Mrs. O. Lang, Mrs. J. Marchand, Mrs. A. Ouellet, Mrs. R. Perrault, Hon. M. Sauvé, Mrs. E. Whelan.

MR. ERIC MILLER

Question No. 5,290—**Mr. Cossitt:**

1. Was Mr. Eric Miller, former Deputy Head of Information Canada, appointed to study general communications problems of the government for the Treasury Board and, if so (a) is he receiving the same salary as he did with Information Canada (b) what is his salary (c) what is a detailed description of his duties (d) what are all the considerations that led to his appointment (e) what qualifications does he have for the job?

2. Was such appointment used to keep him on the government payroll following abolition of Information Canada?

3. What duties will he perform that could not be performed by another recent appointee to the Treasury Board, Mr. Claude Lemelin?

Hon. Jean Chrétien (President of Treasury Board): Mr. Eric Miller was appointed to the Temporary Assignment Pool which is housed in the Treasury Board Secretariat. (a) Yes; (b) Mr. Miller is a Senior Executive (SX-3) in the salary range of $35,500 to $47,500; (c) The Temporary Assignment Pool is a pool of executives and other officers of demonstrated high levels of performance, who can be assigned individually or in teams to departments for specific periods to carry out policy reviews and similar activities. As his first assignment, Mr. Miller will conduct an assessment of the experience and lessons of Information Canada. This study will focus on the functional responsibilities undertaken by Information Canada, its successes, failures and the difficulties encountered. After the completion of this study, Mr. Miller, like other Temporary Assignment Pool members will be assigned to another area according to the policy issues and priorities at that time; (d) Mr. Miller, a senior civil servant with extensive private sector experience, was appointed to the Temporary Assignment Pool following established PSC procedures; (e) Mr. Miller's qualifications met those required by the Temporary Assignment Pool's recruitment review procedures (Circular T.B. 727241) and as outlined in (d) the normal PSC procedures were followed in his recruitment.

2. The government has attempted to find positions within the public service for as many civil servants as possible who were attached to Information Canada. As outlined above, Mr. Miller, the most senior ranking civil servant at Information Canada, was judged to be a suitable candidate for a position in the Temporary Assignment Pool and was therefore offered a position after the termination of Information Canada.

3. Mr. Claude Lemelin is also a member fo the Temporary Assignment Pool with experience in the communications field. He has been assigned to a different task, namely the assessment of the Treasury Board Secretariat's own communication with the general public, the media and employees of the Public Service.

PUBLIC WORKS—RENT—FONTAINE BUILDING, HULL, QUEBEC

Question No. 5,325—**Mr. Caouette (Témiscamingue):**

What is the monthly rent paid by the Toronto-Dominion Bank to the government for the office space occupied in the Fontaine Building, Hull, Quebec?

Hon. C. M. Drury (Minister of Public Works): The Department of Public Works receives no rent from the Toronto-Dominion Bank for space in the Fontaine Building, in Hull, Quebec. The bank rents its space directly from the owner of the building without the involvement of the Department.

CANADA MANPOWER MOBILITY PROGRAM

Question No. 5,406—**Mr. Caouette (Témiscamingue):**

1. From 1967 to date, how many moving allowances were granted to workers in each province by the Department of Manpower and Immigration?

2. For each year, by province, what were the amounts granted to workers?

3. How many workers, by province (a) applied for (b) received the $1,500 allowance to purchase a house?

Hon. Robert K. Andras (Minister of Manpower and Immigration): 1. Relocation Grants—Number by Province (see Statement A).

2. Relocation Grants—Amounts by Province (see Statement B).

3. (a) No statistics available for the number of persons who applied for a Home Purchase Allowance; (b) Home Purchase Allowance—Number by Province (see Statement C).

Statement A

Relocation Grants—Number by Province

Province	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	Total
Newfoundland	584	342	378	329	447	830	1,559	1,404	717	6,590
Prince Edward Isl.	22	36	39	21	41	25	37	32	58	311
Nova Scotia	214	185	280	184	293	491	426	577	991	3,641
New Brunswick	80	142	179	126	228	298	275	273	472	2,073
Quebec	1,434	2,242	3,487	2,731	3,975	4,778	4,876	5,514	5,833	34,870
Ontario	2,489	2,732	1,989	1,863	1,893	1,856	2,409	1,840	2,294	19,365
Manitoba	211	152	198	123	339	261	157	145	269	1,855
Saskatchewan	137	236	406	382	593	531	285	208	185	2,963
Alberta	120	99	121	229	456	558	353	243	279	2,458
British Columbia	466	421	376	380	761	1,025	636	1,078	1,502	6,645
Yukon	—	1	3	13	—	—	—	—	—	17
N.W.T.	—	3	4	1	—	—	—	47	37	92
CANADA	5,757	6,591	7,460	6,382	9,026	10,653	11,013	11,361	12,637	80,880

Statement B

Relocation Grants—Amounts by Province

Province	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	Total
Newfoundland	315,431	253,345	289,358	296,673	262,117	434,962	809,361	615,832	495,554	3,772,633
Prince Edward Isl.	6,060	27,186	35,418	20,911	24,182	19,912	33,256	24,887	36,489	228,301
Nova Scotia	95,113	124,692	217,614	178,790	209,336	303,186	314,383	247,934	473,521	2,164,569
New Brunswick	47,360	108,398	145,920	81,414	115,622	221,490	186,535	178,252	273,227	1,358,218
Quebec	548,252	1,183,158	2,236,674	1,803,945	2,291,489	3,258,101	3,178,258	2,841,746	3,849,641	21,191,264
Ontario	978,809	1,055,754	959,114	888,862	1,111,577	1,622,165	1,815,265	1,333,415	1,861,948	11,626,909
Manitoba	80,917	104,752	156,886	119,339	177,764	307,125	191,108	310,796	377,579	1,826,266
Saskatchewan	94,680	174,079	322,058	346,460	426,790	580,406	386,896	199,921	259,667	2,790,957
Alberta	93,059	67,687	110,339	176,223	318,350	506,617	454,760	312,647	572,310	2,611,992
British Columbia	328,587	348,791	294,976	286,318	435,596	1,021,932	838,088	859,632	1,495,514	5,909,434
Yukon	452	14	3,169	12,579	35,908	17,013	10,639	9,343	—	89,117
N.W.T.	136	621	20	118	784	4,557	12,417	20,711	25,153	64,517
CANADA	2,588,856	3,448,477	4,771,546	4,211,632	5,409,515	8,297,466	8,230,966	6,955,116	9,720,603	53,634,177

Statement C

Home Purchase Allowance

Province	1973-74	1974-75	1975-76	Total
Newfoundland	55	61	27	143
Prince Edward Island	4	5	5	14
Nova Scotia	43	31	59	133
New Brunswick	19	29	35	83
Quebec	462	463	571	1,496
Ontario	259	210	249	718
Manitoba	29	86	72	187
Saskatchewan	81	46	73	200
Alberta	70	62	122	254
British Columbia	123	116	177	416
Yukon	1	1	—	2
N.W.T.	—	2	—	2
CANADA	1,146*	1,112	1,390	3,648

*Prior to April 1, 1973, workers who received Relocation Grants could receive $1,000 if they sold their house in the old locality and $500 if they purchased a house in the new locality. The worker, therefore, would not necessarily receive the maximum of $1,500. For this reason, statistics relative to the number of workers who received the Home Purchase Allowance during this period are not available.

PEI—PRODUCTION OF SUGAR BEETS

Question No. 5,430—**Mr. Macquarrie:**

1. How many acres are devoted to the production of sugar beets on Prince Edward Island?

2. Where in PEI are the production centres?

3. What assistance has been given by the Department of Agriculture to the growth of sugar beets?

4. How many PEI farmers are at present involved in the production of sugar beets?

5. Is it the aim of the Department to increase sugar beet acreage and, if so, to what extent?

6. What assistance has the provincial department extended to this project?

Hon. E. F. Whelan (Minister of Agriculture): 1. Planting intentions for 1976 are estimated to range from 600-900 acres.

2. Farm locations are not concentrated in any particular region.

3 and 5. The Department of Agriculture, under the Agricultural Stabilization Act has provided assistance to sugar beet production in areas of Canada where such production is refined in Canada for subsequent consumption in Canada. There has been no decision to change such practice. It is understood that Prince Edward Island producers have contracts with a U.S.A. refinery for returns attractive to such producers.

4. An estimate of 20-30 growers.

6. Unaware of assistance, if any, provided by P.E.I. provincial department.

QUEBEC EGG PRODUCERS

Question No. 5,452—**Mr. Beatty:**

1. Have Quebec egg producers paid the $190,000 penalty assessed against them for production of eggs and, if not, has the government received any firm assurances as to when the penalty will be paid?

2. Have Quebec egg producers posted a performance bond promised to the National Farm Products Marketing Council and, if not, have any firm assurances as to when the performance bond will be posted been received?

Hon. E. F. Whelan (Minister of Agriculture): 1. The National Farm Products Marketing Council has received assurances about payment of the $109,000 penalty assessed against Quebec producers earlier this year but to date the penalty has not been paid.

2. A performance bond was posted in 1975 by Quebec egg producers and by mutual agreement used to settle certain debts owing CEMA. The National Farm Products Marketing Council has received assurances about replacement of the bond but to date it has not been replaced.

"THE KNOW CANADA GAME"

Question No. 5,537—**Mr. Munro (Esquimalt-Saanich):**

1. (a) What was the cost of (i) developing (ii) producing "The Know Canada Game" distributed by the Official Languages Commissioner (b) who (i) developed (ii) produced it?

2. How many were produced?

3. Was the developer and/or producer selected by tender and, if so (a) in each case, how many bids were received (b) what was the range of such bids?

4. (a) How was the "Game" distributed (b) how many have been distributed (c) what was the cost of distribution (d) what price is being charged?

Hon. Mitchell Sharp (President of the Privy Council): The Commissioner of Official Languages reports directly to parliament and not through a minister. Questions can be made directly to him.

[*Translation*]

QUESTIONS PASSED AS ORDERS FOR RETURN

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if questions Nos. 4,961 and 5,409 could be made orders for returns, these returns would be tabled immediately.

[*Text*]

GOVERNMENT LOANS TO FOREIGN GOVERNMENTS OR INTERNATIONAL AGENCIES

Question No. 4,961—**Mr. Caouette (Témiscamingue):**

1. In 1975, did the government make loans to foreign governments or international agencies and, if so, (a) to which ones (b) for what purpose (c) in what amount (d) what are the conditions of repayment, including interest rates and periods of amortization?

2. Were any such loans procured by the government from (a) banks located in Canada (b) foreign banks and, if so, what percentage?

Return tabled.

FARM CREDIT CORPORATION—RETENTION OF LAWYERS IN ONTARIO

Question No. 5,409—**Mr. Beatty:**

Were any lawyers in Ontario given work by the Farm Credit Corporation in 1975-76 and, if so, what (a) are their names and addresses (b) was the total amount paid to each (c) was the number of cases handled by each?

Return tabled.

[*English*]

Mr. Blais: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

GOVERNMENT ORDERS

[*Translation*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—GOVERNMENT LEGISLATION

Mr. Gilbert Rondeau (Shefford) moved:

That this House finds highly deplorable the attitude the government has demonstrated by taking advantage of its majority to draft many of its bills in such a way that different matters are dealt with in a single text, as well as its obvious tendency to extend the scope of regulations under which pieces of legislation are to be implemented, an attitude which distorts the purpose legislators have in mind and deprives this House of its real customary powers.

He said: Mr. Speaker, like some officials that we know quite well, perhaps we have drafted a motion which is a little too lengthy. It could have been summarized as follows—on purpose: that the House finds highly deplorable the attitude of the government which is depriving this House of its real customary powers. We could have summarized this motion with this one sentence.

It is obvious, Mr. Speaker, that if we go back over the history of Canadian Parliament and if we look at what we are doing today, we must unfortunately recognize that at the present time, what the hon. minister of Supply and Services (Mr. Goyer) stated in this House and the development of the long term policy of former governments and the present administration aims simply at placing the administration of the federal government in the hands of people who were not elected for this purpose.

The statement made today by the minister proves without the shadow of a doubt, like the hon. member for Lotbinière just said, that he does not know and never knew what is going on in his department, as the other ministers have demonstrated many times before. I think that it is too easy to blame a public servant for a mistake which was made by the government. Yet, two ministers and two departments are involved in the Lockheed affair, and today, the minister of Supply and Services thinks that he will get out of it simply by transferring, by removing—perhaps with a future promotion; in any case, we shall see later—by transferring a senior public servant who is now accused of having been the cause of this serious mistake by the government, without making a further investigation to find out who are the true culprits, when the government seemed well aware of what was going on in the two departments concerned and when the minister tells this House that because of erroneous information on the part of the department, the government, which means the Canadian taxpayer, will now have to pay this mistake between $16 million and $30 million.

Mr. Speaker, I would like to summarize my thinking before getting into a more detailed explanation by quoting part of an editorial published in the Vancouver *Sun* of January 18, 1975. This article is entitled:

How powerful mandarins confiscated from members of parliament—

—and we could add "from the ministers"—

—the right to legislate

The truth, not easily admitted by the members in the opposition as well as those in the government, is that more often than not the senior officials are those who are running, sometimes interpreting the legislation according to their views and at times in having passed the legislation they see fit.

The Committee on Statutory Instruments has been set up following a 1969 committee report, whose conclusion surprised no one in the capital, that a large part of our laws do not emanate from legislators but from bureaucrats.

Parliament alone may pass legislation but those acts are so general that for the average citizen the noble intention of the elected representatives are often less important than the restrictive regulations laid down by the bureaucrats after the legislation has been passed.

Today, bureaucrats have by law the authority to lay down regulations.

Regulations appear less redoubtable than legislation, but the difference is more in words than in reality. A lot of regulations have force of law because they can be enforced by the court and officers, much like all regulations passed by the House.

● (1530)

The McCleave committee which had a small group of law students at its disposal received no fewer than 1,900 delegated legislative measures, that is regulations which were drafted by people who rule but were not elected and which were applicable in 1972, 1973 and 1974. That is the pace at which bureaucracy is passing legislation and that pace has not slowed down since the survey made in 1969 by the McGuigan committee, the hon. member for Windsor-Walkerville. The committee found that from 1956 to 1968, 6,992 regulations were published in the *Canada Gazette* covering

19,972 pages, and most of them have force of law. Moses was satisfied with ten commandments but that time is over and it is quite different today.

The hon. member for Greenwood (Mr. Brewin) said it is a fact that the many laws governing us are not promulgated by Parliament but scores of departments and organizations which were given the necessary power. Echoing the committee, the hon. member for Peace River (Mr. Baldwin) said that the increasing threat posed by statutory instruments, decrees and orders in council are a plague that affects most democracies. The Liberal member for Toronto-Lakeshore (Mr. Robinson) stated that the overflowing activity of the government can have the dangerous effect of bringing specialized senior public servants to run the people they are supposed to serve.

Mr. Speaker, today members of Parliament serve public servants and yet members of Parliament were elected to serve their voters. We are living in a democracy where bureaucracy makes up democracy. Mr. Speaker, a little further one could read:

> The committee proposes to demand that every legislation emanating from senior public servants be presented to Parliament so members will discuss it openly before it is implemented.

This article was written many years ago, Mr. Speaker.

If the Standing Joint Committee on Regulations and other Statutory Instruments has unlimited powers to investigate abuse resulting from legislation drafted by senior officials, it has none to specifically correct such abuse. Mr. Speaker, this committee has inquired and reported and nothing has changed, so that before tabling the motion in this House, I had to have my secretary do some research to try to find out whether in the federal Parliament, there existed an administrative consolidation of the major social measures. I wanted to know if there was an index through which it could be established that an act on housing and regarding the Central Mortgage and Housing Corporation was not inconsistent with—through an indexation or administrative consolidation system—with a regulation or an act on housing in respect to veterans.

Much to my surprise, after some research, I found that several regulations of a given department were completely inconsistent with the same regulations of another department in the same field. We also made several telephone calls which I would like to enumerate: We first inquired of the Department of Veterans Affairs at number 6-4649. A lady, who knew nothing about this, referred us to the public relations section of the department.

We called the public relations section of the Department of Veterans Affairs, at number 2-4234. A unilingual English-speaking lady answered us and seeing that we insisted on speaking French, she referred us to another person. A kind lady, who had much difficulty understanding and speaking French, referred us to the public relations section of Information Canada. Yet, we know very well that the office of Information Canada no longer exists.

After several phone calls, we finally got in touch with the government of Canada bookstore, at 2-4474, where a very nice lady finally answered us. We heard very good French spolen in the Mail Order section of the Publishing Directorate. We were told that the only codification that existed was in the post office department. This is the only information she could give us and, besides, this lady told us: I have already done my own research to try to find some administrative codification in the other ministries but I wasted my time. Lawyer Lise Mayrand who belongs to the regulations and other staturory instruments committee, or orders in council, and who studies the legality of the regulations said that an administrative codification exists for very few laws and that this codification is not official when it does exist.

Mr. Speaker, our motion today intends to show that, as the farmers would say, in this government, in the ministries, in the bureaucracy, as we are told the farmers will be here on Thursday, it is as hard as finding a needle in a haystack for anyone would be completely lost in the maze of the regulations of the House, which have become so intricate that we hired thousands and thousands of public servants this year, as each year, whose task is to try to interpret and apply the regulations.

Mr. Speaker, bureaucracy is the basis of regulations, which it interprets and applies. The drawing up, interpretation and application of the regulations accompany each and every law. Bureaucracy is complicated and ambiguous, and it needs each day a more important number of public servants who, in turn, draft new regulations, the interpretation of which will be done by an even more important number of bureaucrats, and so on and so forth. Mr. Speaker, this is how we get into the vicious circle of bureaucracy which now stifles all public administrations, and this government which claims to be ever more socialist interferes in all areas, controls everything, spells everything out and breeds a bureaucracy which dictates everything, crushes everything and ruins everything. So the worker is no longer motivated and is overburdened by bureaucracy. As a result, socialist countries have experienced a collective loss of motivation. In order to be more readily promoted and to justify their existence bureaucrats devise projects or regulations they consider as brain waves, when their suggestions would not even be taken into account in private industry. In order to implement those brain waves, they find it necessary to set up a new work unit whose head will be responsible for carrying out this bright idea. He has just devised a project to be carried out at the expense of the taxpayers while creating for himself an executive position in a new department. He will need an assistant as well as a task planning officer, a private secretary, a secretary and his assistant and a staff officer.

And there you are, the whole bureaucratic process is in motion. From now on, they will become bureaucratic big wheels with very heavy responsibilities, as they say.

Mr. Speaker, in *La Presse* of May 5, 1971, Pierre O'Neil made the following comments about Mr. Eric Kieran's resignation from the cabinet:

> And what does he say on going?
>
> He suggests that ministers are more influent in Quebec than they are here.
>
> He feels that politics—economic politics at least—are far too much under the control of a certain calcified establishement lacking in imagination.
>
> What happened to the fine and great system developed by Prime Minister Trudeau to curb the establishement, take away the political power from the non-elected specialists and give it back to the politicians who received a mandate?

Nobody knows.

The civil service tightens its grip on power.

... the civil service adapted to the new method of governing and is in the process of taking back the power from the politicians.

Mr. Kierans' resignation was not keenly felt in the civil service.

It did not have much of an impact.

Five years ago, in an article published in *MacLean's* Mr. Peter C. Newman said, and I quote:

● (1540)

[*English*]

—the parliamentary process work has imperceptibly shifted a good deal of influence to a largely invisible sub-government best described as the Ottawa Establishment.

The existence of a powerful bureaucratic elite in Ottawa is by no means new; its roots go back to the depression of the 1930s, when Ottawa first became the decision centre of Canada's economy.

... the mandarin class—that race of faceless experts, protected by the anonymity of a government department, operating beyond the range of the people's control ...

—a sort of sinister clique of bureaucrats attempting spuriously to rule the nation—does not in fact exist. What does exist is a group of intellectually sophisticated, uncannily like-minded individuals in the top echelons of the civil service. These men set the style and the outlook of official Ottawa.

... the power of the bureaucrat transcends administrations. Governments change, but the civil service abides. Most of the men who make up the current Establishment have been in the forefront of power in Ottawa for at least two decades, many even longer.

... the Ottawa Establishment—like adherents to any elite—disavow the possession of power, though they value its exercise ... invisible barriers are unaccountably raised against people and policies they judge undesirable ...

All the serving members of the Establishment hold top jobs in the civil service. But not all the men in the top jobs are members of the elite ...

—like the one cabinet ministers have—to bring its members together ... Establishment members are quietly engaged in a process of continuous consultation. Their communications are swifter and more effective than the politicians'. "If you picked the thirty or so men who matter in this town and put radioactive tracers in their pockets, then watched their daily movements on a giant fluoroscope, you'd be amazed how often their paths cross," says one deputy. "And out of these comings and goings constantly flow memoranda with limited but important circulation."

Most of these exchanges take place outside office hours ... —the only noontime meeting place that counts now is the Rideau Club ... One ambassador who recently left Ottawa recalls: "Whenever I wanted to report on the reactions to any important policy to my government, all I'd have to do was wander into the Rideau Club—

[*Translation*]

And he concludes with this last paragraph:

[*English*]

It is relatively simple for the Establishment to perpetuate itself. The sixteen hundred government officials who earn more than $13,000 a year—

This was five years ago.

—are rated for promotion every two years, and the final test is the judgment made by a board consisting of a deputy minister, an assistant deputy and one member of the Civil Service Commission. With a majority of the votes, the emissaries of the Establishment can choose those men they find acceptable and leave others to less important appointments.

[*Translation*]

Mr. Speaker, these few remarks were to demonstrate what Social Crediters believe and have said for many years, namely that unfortunately the government is a ghost government led by bureaucracy as its predecessors were.

We are surprised to hear the Minister of Supply and Services make a statement such as the one he made a few moments ago and which only confirms what I have just said and what we have been saying for many years.

I would like to deal now with the strength of the Public Service. Almost 17,000 public servants have an income of more than $20,000 a year. They do not care a damn about members of Parliament who must vote their own salary increases and have them rolled back later on, because they have to bow before public criticism. That is not the case for public servants. Statistics show that 16,868 public servants from 28 federal departments had an income of more than $20,000 during the last financial year, compared to 1,225 during the 1968-69 financial year. In the Department of National Defence, 5,663 public servants were earning more than $20,000 a year in last October compared to 241 in 1968. That is to say that from 1968 to 1975, the number of public servants with an income of more than $20,000 a year has increased from 241 to 5,663 in the Department of National Defence alone.

In the Department of Industry, Trade and Commerce, this number has increased from 145 to 876 during the same period, and in the Department of Transport, from 46 to 1,269. In the Office of the Prime Minister (Mr. Trudeau), only one person earned more than $20,000 a year in 1968. Today, there are about 20 of them, including Mr. Jack Austin, principal secretary to the head of the government. The latter's salary is really a shame Mr. Speaker, ranging from $50,000 to $55,000 a year.

In the January 1975 issue of the *Reader's Digest*, one can read the following, and I quote:

● (1550)

[*English*]

—1.2 million or 1 in every 8 Canadians in the labour force (this includes 727,000 Provincial and Municipal employees) are employed by Government today ...

Before World War I (approximately 60 years ago) Canada had 23,000 civil servants. Since then our population has tripled, and the civil service has increased by 1200 per cent to about 300,000 ... over the past nine years.

[*Translation*]

And in a Vancouver paper, one could read recently, and I quote:

[*English*]

The government's top civil servants—deputy ministers—may now earn up to $48,000 a year each, according to a cabinet order released Friday ...

Effective last October, the new scale for deputy ministers announced Friday ranges from $39,000 to $48,000.

[*Translation*]

In the Ottawa *Citizen* on the same day, it was reported, and I quote:

[*English*]

The number of federal civil servants earning $20,000 a year or more rose by almost 1,300 per cent in the last six years, statistics tabled yesterday in the Commons indicate. The figures show that 16,868 civil servants in 29 government departments were earning at least $20,000 a year—

[*Translation*]

Mr. Speaker, the latest figures for 1975 show that the Public Service numbers 296,467 people; the Armed Forces, 78,000; the Royal Canadian Mounted Police, 15,000. There are 15,127 other federal employees. Mr. Speaker, the federal government has spent 44 per cent of its budget, that is $12.5 billion for its operation; 5 per cent on investments, that is $1.5 billion, and $14.3 billion on grants, pensions, contributions or transfers to the provinces. This means that the aggregate amount of grants, contributions and transfer payments to the provinces is almost equal to the amount spent on the government's operation with the present bureaucracy.

In 1960 there was one civil servant for 87 farmers. In 1966, there was one civil servant for 59 farmers. In 1975, one civil servant for 44 farmers. It means that the fewer the farmers, the more civil servants. So, if farming is in good health it is not because of the efficiency of civil servants but rather the contrary.

Mr. Speaker, the chairman of the Advisory Group on Executive Compensation in the Public Service, Mr. J. V. Clyne, in a brief submitted on January 13, 1971 to the right hon. Prime Minister of Canada (Mr. Trudeau), said on page 5 that civil servants were not badly treated—because he would have made a fool of himself—but he went on to say:

Accordingly, we recommend that steps be taken as quickly as possible . . .

. . . Mr. Speaker, because it was urgent. So they were not paid enough.

. . . that steps be taken as quickly as possible to revise the SX-DM salary framework as follows:

And here is what those mandarins recommended to the government: For DM3, $45,000 to $50,000; for DM2, $40,000 to $45,000; for DM1-SX4, $34,000 to $40,000; for SX3, $28,000 to $35,000; for SX2, $25,000 to $31,000; for SX1, $22,000 to $28,000, Mr. Speaker. If we listen to them, Mr. Speaker, in a few years from now they alone will take the whole federal budget.

I have here the *Toronto Star* of May 22, 1976 which reads as follows:

[*English*]

"Jack McArthur estimates we waste $5 billion on needless forms and letters every year."

[*Translation*]

It is to demonstrate the efficiency of our civil servants.

[*English*]

"What do I do when the government doesn't send me my proper old-age pension? . . . a few weeks ago, some 50,000 Canadian old-age pensioners were asking the same question. Most had received only portions of their total pensions . . . The paperwork explosion.

[*Translation*]

Mr. Speaker, I suggest that the Department of Environment that was created to identify and fight pollution in Canada should first study and fight the bureaucratic pollution, the red tape pollution as we are in a situation where in every department, in our offices, we are submerged by red tape because of the attitude of the federal government that wants to intervene in every field, thus forcing private entreprise to hire experts, civil servants, accountants, consultants to extricate itself from all that red tape.

And I continue with the Toronto *Star*:

[*English*]

It was said that annual reapplication forms hadn't been filled out. There was some vague talk of a failure to send out forms and reminders, or the pensioners' failure to respond, or a computer breakdown.

[*Translation*]

Mr. Speaker, whenever we ask these gentlemen for explanations, we are always told that the fault lies with the computers, whether unemployment insurance or old age security pensions are involved. About two hours ago, I came to my office with more than 150 complaints, and I am sure that a good number of people have not complained yet to my office, I mean, people who, this last month, had further deductions from their old age security pension cheques; all of us members of this House have to cope with this massive red tape, this cumbersomeness, this lack of competence and efficiency which prevails in our bureaucracy and this is why we thought it appropriate today to denouce such a system.

[*English*]

—between 25 and 30 per cent of personal income-tax returns are wrong in some way . . .

More than 3 million forms a year are incorrect. Hundreds of thousands of others are incomplete if you believe the tax consultants . . .

If the average cost of correction—in time and money, including both sides—is $25, that bill would be more than $75 million annually.

[*Translation*]

Mr. Speaker, I could go on and on, but I would like to mention a few specific cases to show that this bureaucratic problem does not exist only in Quebec but also in the other provinces.

[*English*]

J. A. Thomas, of Thomas Nameplates Ltd. of Orillia, complains in a letter to the independent business federation about the delays which become possible.

He says he became interested almost a year ago in PAIT—Program for the Advancement of Industrial Technology—a federal program.

The Acting Speaker (Mr. Turner): Order, please. I regret to inform the hon. member that his allotted time has expired. He may continue with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

[*Translation*]

Mr. Rondeau: Thank you very much, Mr. Speaker, and I also wish to thank my honourable colleagues for allowing me to complete my remarks.

[*English*]

"We responded," Thomas writes, "and have since been involved in a continuing Orwellian struggle with bureaucrats. We have complied with suggestions, acceded to requests and patiently attempted to supply data as required. In return, we have been diddled by departmental people who take weeks to reply"—A century ago, almost all you needed to be a success in business was that old get-up-and-go.

Now, it's absolutely necessary to have a mountain of paper, combined with a vast expertise and devotion of time to collecting the information wanted by scores of government departments and agencies, by internal paperwork collectors and by associations, customers and suppliers. Some companies, for example, are filing thousands of annual compliance reports with the Anti-inflation Board—one of Canada's most

flourishing companies is Toronto-based Moore Corp., the world's biggest maker of business forms.

Its sales top $1 billion a year, at last report making it Canada's 16th largest industrial company.

● (1600)

[*Translation*]

Mr. Speaker, those paper manufacturers are doing extremely well thanks to our bureaucracy. In *The Guardian* of October 27, 1975—I believe this is a newspaper published in P.E.I.—here is how are described the frustrations of a businessman.

[*English*]

Mr. Sark says that in June of this year he made an application for a housing loan under the Indian off-reserve and Eskimo re-establishment housing regulations. But he said to even have this application looked at he had to send a cheque in the amount of $835 to the Department of Indian Affairs for survey costs, legal charges, property tax adjustment and insurance premiums.

Mr. Sark said he was told his money would be refunded if his housing application was not approved but on July 15, Mr. Sark received word his application had indeed been approved.

Believing he could have his house completed by the end of this month he took a loan of $835 from the bank. He said the reason he did this was because he had been told by CMHC he would be eligible for the $500 grant from the federal government for new home owners.

By the middle of this month Mr. Sark says he was told by CMHC the $500 grant had been used and he did not qualify for the assistant home ownership plan. Mr. Sark said CMHC explained to him he did not qualify because his salary was too high as a result of a part time job.

He said he also found another amendment in the same report stating 'make loans to Indians for the purpose of assisting in the purchase, improvement or construction of housing projects on Indian reserves'.

Mr. Sark said he now 'wonders if it is possible that there are two NHA acts, one for CMHC and a completely differently one for the public. It is also strange indeed that the Department of Indian Affairs and the Department of Veterans land act were not notified of this particular CMHC policy'. He added, 'CMHC should make public their policy regarding Indian off reserve housing, but before they do, they should educate their staff so that one hand will know what the other is doing'.

[*Translation*]

Mr. Speaker, if we go on like this, we will find out that one department's regulations are in conflict with those of another.

I could quote a good many examples of people who have had to fight for weeks, months and even years with bureaucracy, of corporations who have had to spend thousands of dollars in order to avail themselves of an existing statute, because the bureaucratic process is so confusing, so huge that it has become almost impossible to satisfy those mandarins.

I therefore suggest that my hon. colleagues should reconsider the federal government's policy, that the government should revise its attitude towards bureaucracy, in order that Parliament may have more power and that regulations may no longer be hatched behind closed doors because of the powers handed over to civil servants.

Whenever we want to utilize our statutes, we unfortunately find that the legislation in this House have enacted for a good purpose has been totally rehashed and has been made inefficient by an army of bureaucrats who are exceedingly well paid, compared with us members of parliament. They do not have to meet standards set by the population while we the elected representatives of the people, have to deal with the general public which does not understand the spirit behind the statutes passed with good intentions but enforced contrary to the purpose debated in parliament in committee and in this House.

[*English*]

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I think it is always a pleasure when a number of beautiful parliamentary performers such as myself have a chance to speak in such an important debate. I wish to thank the hon. member for Shefford (Mr. Rondeau) for presenting the motion which allows me to participate. I shall be dealing particularly with the part of his motion that relates to the obvious tendency to extend the scope of regulations under which pieces of legislation are to be implemented.

I speak, sir, from the standpoint of being chairman of a committee of both Houses of Parliament, the Standing Committee on Regulations and Other Statutory Instruments, which deals with what I call the conduct of the subordinate parliament in respect of orders in council and the rules and regulations which flow out of that subordinate parliament. I note that the President of the Privy Council (Mr. Sharp) is here. I understand he will follow me. I understand, also, that his parliamentary secretary will speak later in the debate. All I ask is that the parliamentary secretary be allowed to get out of here in due course so that he can attend a meeting at which he is to be a principal witness this evening at 8.30.

This subject, surprisingly, can be of a great deal of interest among the members of the press at certain times. I note that one of them is in the press gallery now. I commend him for being present. I shall not say anything about those who are not. This is a subject that can exercise Canadians. It exercises them, for example, with regard to the subject of the gun control provisions of Bill C-83, now before a committee of the House, and yet when one proceeds from the general thought of whether there should be a subordinate parliament and what we should do about this subordinate parliament, then the numbers, as they say, tend to fall off.

I shall make some points this afternoon thanks, again, to the motion proposed by the hon. member for Shefford. I look around and note that the party which has proposed the motion does not have a member in the House at the moment. In any event, I shall be making some points and suggestions. I hope that if I should run out of time some member of parliament will be good enough to stand and suggest that I might have the floor for one more moment of suggestion.

I think it is true that parliament should not be overburdened with details concerning legislation. I think this is perhaps why orders in council, rules and regulations and the like as well as directives, have grown in our time. I do not think there can be any question about the need for that. Otherwise, we would be meeting 24 months every year instead of 24 months every two years.

● (1610)

May I start my dissertation about a practice which has grown up in the past 12 or 15 years. I do not comment about the governments which brought this practice about,

but let me start with a letter which was written by the Hon. E. A. Forsey and myself, as joint chairmen of the Standing Joint Committee on Regulations and Other Statutory Instruments, to the Auditor General. It was written on April 26. I will quote part of it but, of course, anyone who wants to see the whole thing may do so. It is to Mr. Macdonell and reads in part as follows:

One of these abuses is the drawing of the subordinate law-making powers in such a way that the documents flowing from their exercise are not regarded by the Crown as statutory instruments and are thereby excluded from parliamentary scrutiny.

That, by the way, is a big problem, but perhaps I should not burden the House with the technical detail of it at the moment. I will burden the House with this from the same letter:

The other is the making of statutory instruments under a series of votes commencing at some point in the immediate or distant past and amplified in scope or altered in some one or more particulars by successive votes.

I will give an example of this sort of thing later on, if time does not run out on me. The letter goes on:

These successive votes are often expressed "to extend the purpose" of an earlier vote and the extensions in some instances are but barely related to the particular objects of the original vote.

That is really an amendment to legislation, but the legislation in itself happens to have been a vote, so nobody becomes particularly exercised about it. The creeping camel's foot suddenly becomes the whole camel in the tent. The letter goes on:

The combination of the accumulation of extensions and the extreme generality of language in which almost all enabling powers in votes are expressed renders the task of the Standing Joint Committee so difficult as to negate any effective scrutiny. To the extent that scrutiny is rendered ineffective, parliament's control of the purse is subverted.

I underline those words. The answer of the Auditor General of Canada, Mr. J. J. Macdonell, is interesting indeed. On May 14, 1976, he wrote to Senator Forsey and myself to say the following:

—we have been concerned with any practices which lead to uncertainty about the nature of expenditures that appropriations are intended to cover because, in addition to affecting adversely parliament's ability to control expenditure, it makes it difficult for my office to discharge its statutory responsibilities under the Financial Administration Act.

Skipping over a couple of paragraphs, he says:

To sum up, it is our view that to the greatest extent possible vote texts should be specific and unequivocal, contain all wording having legislative effect and any delegations of authority to the executive. We also feel that legislating by means of dollar votes and altering the purpose of previous votes by a number of successive votes should be discouraged in the interests of clarity and good parliamentary control.

I know when I say that that my good friend, the President of the Privy Council, who has the responsibility of trying to get a certain number of measures though parliament, is going to ask what else we can do. My suggestion—and it does not fall within the ambit of this particular debate—is that somehow this parliament has to come to terms with itself and we have to impose upon ourselves certain restrictions as far as debate goes.

I have argued this before in the House of Commons, and perhaps I am a lone force with regard to certain of my associates. But I also say that we have to have provision for good housekeeping measures and the like. However, we still must have regard for parliamentary practice, and the Auditor General and I are as one in saying that the practice which has been followed about the $1 votes, the votes upon appropriation bills, and the like, is not in keeping with good parliamentary practice. I say, also, that there is no other legislature or parliament of which I am aware within the so-called British system which does what we try to do here.

I have quoted Mr. Macdonell, and when we deal with things later on in the procedure committee and in the House of Commons arising out of the procedure committee, I hope we will pay some heed to what he has said. It is perhaps the strongest criticism he has made, and yet in a sense he is echoing what many of us within this chamber have said—that somehow we have to find ourselves a better way of doing things.

In the few minutes which are left I would like to draw examples of the points I am trying to make to the attention of the House this afternoon. First, may I quote from a letter which Senator Forsey and I sent to the President of the Privy Council, the minister who is listening so avidly now. It is a letter dated April 8, 1976, and it reads in part as follows:

—the committee objects to the drawing of enabling powers in votes in such a way that the resulting exercises of delegated law-making power are not regarded as statutory instruments by the legal advisers to your office.

This is one of the fights we have had, and it has been going on for some considerable time. Probably since the fight is still going on, I will not overburden the House with that particular point. It will come before us as a matter of debate at a future time. I will now turn to some of the difficulties we are facing in terms of the Minutes of Proceedings and Evidence of the Standing Joint Committee on Regulations and Other Statutory Instruments, Issue No. 56, to be found at page 38, where our counsel made comments about the Indian off-reserve and Eskimo housing regulations arising out of Appropriation Act No. 4, 1971, as follows:

Finally, by Vote L16a, Appropriation Act No. 4, 1971, the purposes were once again extended, in respect of both Indians and Eskimos, to authorize loans "for repairs or improvements to houses *at the time of purchase* in areas other than Indian reserves".

It is not clear what this last extension means: must the loans (for repairs and improvements) be made at the time of purchase; must the repairs and improvements be projected at the time of purchase; must the repairs and improvements be carried out at the time of purchase? The last is in any event probably a legal impossibility. What is clear is that the loans and advances under the several appropriations are to be made to members of the class, Indians, and to members of the class, Eskimos, on the same terms and conditions, subject to the same provisions, (and for the same purposes). Yet section 3(1)(b) imposes a restriction on a loan to Eskimos which does not apply in the case of a loan to Indians, namely that the location of the house must be acceptable to the Minister.

These are broad powers, are they not? Mr. Speaker, you and I would probably be free to move about if we could meet the necessary conditions with regard to mortgages in the marketplace, but what I have just read, if hon. members will examine it, will be found to be a pretty strong infringement on the rights of individuals. Our counsel went on:

(The restriction that the house must be on land outside a reserve exists in respect of loans to members of both racial groups. It is expressed in the case of Indians. It need not be expressed in the case of

Eskimos for they, like any non-Indian person, would, in any event, be unable lawfully to build or acquire a house on an Indian reserve.)

So that point was made with regard to the regulations we have under an act we ourselves passed years ago. Mr. Speaker, I have three or four more examples, but I am running short of time to develop this argument. There are many questions that can arise with regard to these particular votes within appropriation acts, and I do not think we have given ourselves a procedure capable of dealing with them. I have a remedy, however. May I deal with SOR/75-24—the home buyer grant regulations which were passed more than a year ago. Our counsel, Mr. G. C. Eglington, wrote to the Department of Urban Affairs on July 14, 1975, as follows:

● (1620)

—this provision amounts either to the payment of the grant to the association, a provision ultra vires vote 12B of the enabling statute which specifies grant payments "to an individual", or to a condition of payment, namely that the payment be applied to a specific purpose, the reduction of the indebtedness of another. The committee was doubtful as to whether the terms and conditions which the governor in council might properly prescribe under Vote 12B can extend to requiring that payments be used in the manner specified in section 5(2).

The committee referred to is the joint committee. The letter goes on to say:

The committee will appreciate your response on this point and, after considering it, will also deal with the further point as to whether or not such substantial rules should be made by regulation—

That is the point made by my hon. friend in opening this debate:

—pursuant to skeletal enabling powers in votes.

That is the point on which I should like to base my contribution this afternoon. I am coming to the end of my time so I will not burden the House, but there are two more instances, both important. May I suggest that in dealing with the procedure of the House, in order that the House may have some control over what I call the subordinate parliament of Canada, we probably have to take one more step. I realize that the work of the Standing Joint Committee on Regulations and Other Statutory Instruments is very important. As a matter of fact, I am dismayed that the press gallery has not sent people to it. I am also dismayed that members who are not on that committee have not used it more often. Only one member has used it so far. The committee has procedures and remedies available to approach some of the problems which exercise myself and other members of it.

In supporting the motion of the hon. member for Shefford, I should like to point out that there are committees of this chamber and the other place which have special interests; they deal with fisheries, mining, energy—and if one wants to look at a catalogue of horrors, they need only look at the regulations affecting energy and mining. When we make changes in parliamentary procedure we should find a way of referring the regulations to a regulations committee for examination and also to the committee which I have the honour to head. They could then be referred to the appropriate standing committee which could pronounce upon them.

This is a new procedure that I am suggesting for the House of Commons, Mr. Speaker, I hope I have made a case

[Mr. McCleave.]

that can find its way into the hearts and minds of hon. members.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I believe that this motion aims at drawing the attention of all hon. members, whatever their political party, on the importance of reassessing the role of Parliament in a democratic society, in a country like ours. The hon. member for Shefford (Mr. Rondeau) explained quite clearly and accurately the objectives of his motion, and the hon. member who just sat down also supports the reasons for presenting this motion today, that is to clearly show the important role that Parliament must play in administration, in the administration of national affairs, of Canadian affairs.

Mr. Speaker, this afternoon, we had a striking example of the inefficiency of ministers, and even of hon. members as concerns the implementation of legislation. A minister makes some statements in the House, some bureaucrat does the opposite outside the House, and we suddenly discover that the minister has been fooled, that he has not been informed, and the deputy minister of a certain department is transferred. He is transferred to another department, in a manner reminiscent of that in which ministers are appointed. Someone is appointed minister, he keeps his portfolio for three or four years, afterwards when he starts to bother the bureaucracy, it is the deputy ministers, simple secretaries who force the government to appoint another minister. The bureaucracy if not accountable to the general public, we do not know individual deputy ministers, we do not know the secretaries of the deputy ministers, and they do not have to be elected. Moreover, they are employees.

Mr. Speaker, we must not play politics at certain times or allow public servants to do so. I am a politician. I would not want Crown corporations, like the CBC, to be accountable to a political party. I recognize that these corporations must be absolutely independent from political parties, but not from the Canadian Parliament. Those are agencies or corporations created by and responsible to Parliament.

● (1630)

Those people are sometimes seen mocking the minister, or members of Parliament. In certain cases indeed, in nearly any constituency be it represented by a Liberal, a Conservative or a Social Crediter, constituents come up and ask their M.P.'s help to settle a problem they cannot solve in matters of unemployment insurance for example, of welfare or that sort of things. When those constituents call at a government office saying that they have consulted with their member of Parliament, they are immediately snubbed and told there is no use to consult with a member, because members account for nothing, nobody needs them and they have no business coming up and telling public servants what to do in government offices. Mr. Speaker, I will relate something which happened to us, the members of the Social Credit Party of Canada, in 1974. We had passed a legislation here in August—

An hon. Member: That does not happen only to you!

Mr. Caouette (Témiscamingue): The legislation—yes, yes; that happens to you too!

Mr. Speaker, the Canada Elections Act clearly provides that any political party has the right to receive donations and to issue receipts for these gifts in favour of their electoral organization. The act provides that rendered services may be included. This means that the travel expenses of a constituent or party worker who goes from one riding to another or anywhere in Canada can be figured out and deducted on one's income return as political contributions, under the electoral legislation passed by Parliament. That is what we did under the terms of the act.

But the bureaucrats the Department of National Revenue, and namely those of Sherbrooke, said that the act of Parliament was no good and that the legislation concerning bureaucrats is the valid one. They say that rendered services are not deductible. And it should be noted that they refused to refund some taxpayers certain amounts claimed as gifts to political parties, namely our party. Maybe the same thing happened to other political parties.

Mr. Speaker, The Royal Canadian Mounted Police was even used to intimidate our respective constituents, the Mounties went into the homes telling the electors of taxpayers that they were thieves, that they had submitted false returns and that if they did not sign a document to the effect that they had not helped the party, they would be thrown to jail!

An hon. Member: Right on!

Mr. Caouette (Témiscamingue): Mr. Speaker, if the RCMP want proofs, I have witnesses in my own riding where they went one night to the home of Mr. Maxime Lord, 2345 Saguenay Avenue in Noranda, and his wife, my chief organizer. Take note of this: two RCMP agents went in saying that they were liars, crooks, that they had lied to National Revenue, that they had claimed $200 which they had never given the party. The devoted work of those people, Mr. Speaker, is worth much more than $1,500 or $2,000 a year; but the two Mounties, two youngsters, went in there calling them liars and thieves. Fortunately, my two fellow-citizens, who are not easily intimidated, told them in turn that they had better sit down and be polite otherwise they would get thrown out! Then, things calmed down somewhat.

An hon. Member: That is not the general reaction!

Mr. Caouette (Témiscamingue): No, indeed, everyone would not greet them that way. Mr. Speaker, when that happened, I went to the Solicitor General (Mr. Allmand) in this House, I went to his seat—

An hon. Member: He's never understood anything!

Mr. Caouette (Témiscamingue): How true! He told me that there had been anomalies, irregularities that some of our people were not honest.

That is what Solicitor General Allmand said to me, and I challenged him to prove it. Anyway, the whole file is in the hands of the Minister of Justice (Mr. Basford) who said that he was not aware of the matter, that he would enquire to his official to ascertain what had happened, but that the whole matter might be in the hands of the Minister of National Revenue (Mr. Cullen). I went to see the Minister of National Revenue at his seat and asked him a progress report on the matter. The minister told me that the file had been sent to his office but that it had been returned to the Minister of Justice, who, in turn, would return it to the Solicitor General.

Mr. Speaker, as to the tax returns made in 1975 for the 1974 taxation year, some people were in fact granted the recognized deduction for donations to political parties, after which the RCMP was asked to inquire. The ministers know nothing about the whole matter: three dummies they are! Deputy ministers do know what is going on, and they are the ones who decided to sue people. Now, in 1976, we file our returns for 1975. Apparently, 1975 political donations are accepted more easily. That is not all: assessment notices are presently being sent to some taxpayers requesting them to pay back what they received in 1974 for donations made in 1974. What nerve the National Revenue people must have to ask for the repayment of amounts paid out after May 1975.

Mr. Speaker, it is surprising that the ministers should not be aware of that. At this very moment, we have three representatives with the chief commissioner of income tax to check the record—

An hon. Member: The RCMP.

Mr. Caouette (Témiscamingue): The chief commissioner of the RCMP, that's it, Mr. Nadon. Three of them are there this afternoon to check the record. What is in it? We will know tomorrow probably, or later today. But the trouble we are having, I realize that other constituencies may well have it too. I simply want to state that Parliament is being laughed at. We passed that legislation here in this Parliament to allow your constituents to give you donations deductible for income tax purposes, not from the taxable income but the income tax, the tax payable. The act was passed here. But bureaucrats say, you, members of Parliament, are not right. They are the first to come here and beg for salary increases, higher pensions, to live fatly at the expense of Canadian taxpayers while members of Parliament who are elected representatives responsible to the people are being laughed at by little secretaries in the office of the deputy minister or minor employees who actually rule the roost.

Mr. Speaker, I am talking about the elections act. There are others. The CBC, a Crown corporation—there are other Crown corporations—but the CBC was asked in this Parliament to be more explicit, more national, to talk more about the role of the Canadian Parliament. I will give you another rather recent example: on May 25, when the budget was tabled by the Minister of Finance (Mr. Macdonald). The whole Parliament was here. I am sorry I could not be here. However, my colleagues were here and most members also. That evening, on Radio-Canada, when the news came on, I said: Now we are going to hear about the budget. I listen to the news in my area; we have freedon of choice.

We have a television station, Radio-Nord Inc., which is affiliated to Radio-Canada. Therefore we have one alternative: either we turn off the set or we turn it on. That is our only choice and we must hear the news on Radio-Canada because there are no other stations. So, in the evening, I listen to the comments about the budget. In the afternoon some hon. members were locked in for 2, 3 or 4 hours

before the budget was brought down at 8 p.m. My colleague for Shefford (Mr. Rondeau) was one of those along with other Liberals, Progressive Conservatives and New Democrats who studied the budget beforehand to be able to comment on it in the evening. So, in the evening I listened to the commentaries. They introduce the budget, they talk about the Minister of Finance (Mr. Macdonald) and then they give the comments by federal representatives of other political parties. I think my colleague for Shefford was asked to record a three-minute commentary which was taped in the afternoon or evening—

Mr. Rondeau: No, five!

Mr. Caouette (Témiscamingue): —or a five-minute commentary on Radio-Canada—

Mr. Rondeau: In colour!

Mr. Caouette (Témiscamingue): . . . in colour, besides. At least, they have it colour! Not our political colour, the actual colour. Mr. Speaker, in the evening, I think the hon. member for Shefford was allowed less than half a minute . . .

Mr. Rondeau: 40 seconds; on channel 10, 4 minutes.

Mr. Caouette (Témiscamingue): . . . 40 seconds on the government network and 4 minutes on channel 10, a Montreal private company's station. The other party representatives were not allowed more than 2 minutes.

Mr. Rondeau: Not even the Minister.

Mr. Caouette (Témiscamingue): Not even the Minister. I do not think he even had his 2 minutes, the Minister of Finance! This is the measure of CBC's impartiality, a coporation which is totally independent from political parties as well as from parliament. That same evening, the Inquiry Commission on Organized Crime, CECO as it is called, was allowed about 7 minutes to show the notorious Dubois family from Montreal. What the hell can that mean in Winnipeg? How does that concern . . .

Mr. Allard: Halifax!

Mr. Caouette (Témiscamingue): . . . Yes, Halifax!

Some hon. Members: There are Frenchmen there!

Mr. Caouette (Témiscamingue): Or how do scandals in Montreal concern the people in Vancouver? Even in toronto, they do not want to hear about it. People have enough troubles of their own, they have no need for Montreal's problems. Mr. Speaker, those in charge of the CBC do not to give a damn about members of Parliament. They are the first to laugh at us, they are the first to send us to hell . . .

Some hon. Members: And ministers for that matter!

Mr. Caouette (Témiscamingue): . . . yes, both ministers and members of parliament. They say "We may or may not give them coverage". Who in CBC are those powers who decide that? They are the same people who come here "wacking" for their votes, not thousands, but hundreds of millions, to pay for those pale-faced people in the CBC's Montreal offices, for giving coverage to those awful organizations. "We must go everywhere, we must cover every organization", says the Corporation. And to every organization they go. But the CBC should be held responsible for the division that now exists in various regions of Canada. It was shameful the way Canada's Parliament was treated last week on the occasion of the budget speech, which is of concern to every Canadian. The CBC cast aside such a serious issue, in favour of the Board of inquiry on organized crime, to show Justice Dutil and witnesses stating that they attempted to kill someone, they sold marijuana or haschish or what have you, that they had a prostitution ring in Montreal. That is quality indeed to improve the standard of public morals. Directly on TV it went.

Do they say anything about Parliament, about the important role played by members? No, they do not give a hoot. And I will tell you why. Because we, members of Parliament, we are not named for life. We have to get elected. Come the next election, we cannot take it for granted, we are not elected for life but for one term only. There is a new election every two, three or four years. Who knows what can happen in four, three or two years from now? Job security, that is not for us.

● (1640)

Employment security is requested for the CBC employees, employment security in journalism, employment security in the damned bureaucracy, employment security for civil servants. By the way, there is something else I would like to say. From all the members who were in this House when I was first elected in 1946-49, only three are still here: the member for Prince Albert (Mr. Diefenbaker), the member for Winnipeg North Centre and myself. Out of 264 or 265, only three members from those days still have a seat in this House. This is to show that we know what parliament is all about.

If we are here, it is not because we had employment security but because we fought hard in each election. But I do feel a little bit sick whenever I hear the hon. member for Winnipeg North Centre (Mr. Knowles), even rightly so, say: "We have to treat our civil servants well." Employment security and better salaries are things we hear discussed every so often. "When are we going to increase their pensions, pay them decent salaries, and so on and so forth?" Good enough. I agree that our civil servants should be well paid. However, whenever federal members who have no employment security ask for a small salary increase, the civil servant is the first to object. I just cannot figure that out.

Federal members are paid $24,000 a year. Some of our civil servants earn as much as $40,000, $45,000 and $50,000 a year and we are still asking salary increases for them. Whenever a small increase of $2,000 or $2,400 is requested or suggested in Parliament civil servants are the first to fight against it despite the fact that members of Parliament do not have any job security and are never assured of being returned to the House at the next election. As soon as members start talking about a possible increase, the press objects to it. The newspapers then say that the members voted themselves a salary increase for their expenses in their ridings. Mr. Speaker, why is it, if it is so interesting to be elected member, that those fellows from

the press do not run for Parliament? Why do they not come here to sit as members?

First because they do not have the ability and second because nobody wants them. Third, they should just shut up and show some respect for the Canadian Parliament instead of trying to ridicule everything that happens here, to ridicule the members of Parliament who do something, to ridicule the ministers in front of civil servants and deputy ministers. I have great respect for deputy ministers. The organization—

[*English*]

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, but his allotted time has expired. He may continue only with unanimous consent. Is there consent?

Some hon. Members: Agreed.

[*Translation*]

Mr. Caouette (Témiscamingue): Mr. Speaker, I thank my colleagues but I think it is true, I just started to be good. Mr. Speaker, I shall not take too much of the time of the House but I had to clarify the role that Parliament must play in this country so that the bureaucrats "stay in their hole." It does not mean they should be ill-treated but they should be respectful of Parliament and the ministers. Today, we have a Liberal government but tomorrow I hope we shall have a Social Credit government.

But we should be respectful of the authority at a time when everybody complains about the lack of authority, the lack of respect for those who are supposed to administer public funds and the nation's business. Mr. Speaker, we should be respectful and we should start in the media for instance where they always call out for the freedom of the press, yes, the freedom to lie to the people as filthy beasts can do. It is the freedom to deprive others of their freedom. Let us see who is calling louder for freedom in Montreal: the common front, Charbonneau, Pépin, Laberge. What respect do they have for the authority? What respect do they show for the National Assembly in Quebec? Those people are stirring up public opinion against law and order. But the freedom they are asking for is the freedom to deprive others of it and to end up with the kind of freedom they enjoy in Moscow or in other socialist countries in the world where people no longer have the right to speak loud, to say what they have to say.

● (1650)

Mr. Speaker, thank God we have not reached this point yet in Canada or in the province of Quebec. Should we however let the bureaucracy get hold of power in Canada we will be in exactly the same situation as those socialist or communist countries in the world. Mr. Speaker, I want to add that all the world countries which have allowed their bureaucracy to gain power are in a desperate situation today. They would like to restore this parliamentary freedom which still exists in Canada, thank God.

Mr. Speaker, let the ministers take their responsibilities and we, parliamentarians, we, members of Parliament, let us require at least that government agencies be respectful of the Canadian Parliament. We have the duty to pass the votes concerning their salary, we are responsible for all these people. And we are going to allow those officials who work in small offices, in riding offices here and there, to make a mockery of us and tell us: Just watch, Mr. MP, your case will not be dealt with because you mixed it up with politics. Mr. Speaker, politics is not an electoral policy nor a party policy between elections. It is a government policy, a Parliament policy and therefore public servants should be respectful of members of Parliament. They should consider that the law has to be enforced.

I referred earlier to the electoral legislation. In this regard, I suggest it is time—and I draw the attention of the President of the Privy Council to it so that he stresses the fact to the bureaucrats of the Departments of National Revenue, Justice and the Solicitor General—that Bill C-74 be strictly enforced instead of being tampered with as these people are doing at present.

Mr. Speaker, the members, whoever they are, should demand that public servants perform their duties and give the results expected and required from them, not golf games, yacht trips or extra-parliamentarian activities. What we want from them are results reported in Parliament and then Parliament will be brought back into favour before public opinion; we want the mass media to be attached to Parliament, be made available to the Canadian public so there will be no more deceptions by individuals who want to destroy us instead of promoting the self-development of the country.

Mr. Speaker, my appeal is directed to the members of all political parties and to the government to assume its responsibilities and put bureaucracy at the service of Parliament which will legislate to meet the needs of the people.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Egmont (Mr. MacDonald)—Transport—Rationalization of transport policy; the hon. member for Selkirk (Mr. Whiteway)—Freshwater Fish Marketing Corporation—Proposal to grant export licence to sell fish outside corporation; the hon. member for Winnipeg South Centre (Mr. McKenzie)—Air Canada—Allegation of poor billing procedures.

Legislation

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—GOVERNMENT LEGISLATION

The House resumed consideration of the motion of the hon. member for Shefford (Mr. Rondeau):

That this House finds highly deplorable the attitude the government has demonstrated by taking advantage of its majority to draft many of its bills in such a way that different matters are dealt with in a single text, as well as its obvious tendency to extend the scope of regulations under which pieces of legislation are to be implemented, an attitude which distorts the purpose legislators have in mind and deprives this House of its real customary powers.

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, the motion which is before us—and I should like to remind the House of this—is not exactly the same as the subject which has been discussed so eloquently by the hon. member for Témiscamingue (Mr. Caouette). However, I can sympathize with the hon. gentleman. Having been a bureaucrat myself at one time, I can understand the situation very well. Having been a bureaucrat, a member of parliament and a minister, I understand what he is saying.

I suggest to him, however, that we should preserve as an essential principle of our democratic system the notion that the government should be responsible for its acts. This is a principle which is sometimes extremely difficult to interpret; As my colleague, the Minister of Supply and Services (Mr. Goyer) said earlier today, there are circumstances over which ministers can have no control. However, I hope the House will agree that in general ministers should be accountable to the House for their actions, and this includes the actions of their departments. It is a principle which has been accepted by the government ever since I have had anything to do with it, and it has been adhered to on numerous occasions when the opposition wished to go behind the government and begin to deal with civil servants. I believe such efforts should be resisted and that ministers have a responsibility to the House for the acts of their departments as well as their acts in a personal capacity.

May I now refer to the very interesting remarks made by the hon. member for Halifax-East Hants (Mr. McCleave) who is joint chairman of the Committee on Regulations and Statutory Instruments. I am sorry he is not here now. I should like to congratulate him and his committee, including the senators and, in particular, Senator Forsey who is the co-chairman, on the very useful work they have been doing. They have had some difficulty in defining what constitutes statutory instruments, but that is to be expected. I hope we can clarify this situation so that the committee can carry on its work effectively.

I was interested in the suggestion made by the hon. member toward the conclusion of his remarks, that we might adopt new procedures to deal, not with the question whether regulations and statutory instruments are in the proper form and within the ambit of legislation but, rather, whether they touch on substantial matters which are of importance to policy rather than simply to the carrying out of a statute. The suggestion that we might set up a procedure to carry the matter further if the statutory instruments committee felt certain regulations were of such a character as to justify a closer examination in another standing committee is one which I would not reject out of hand. I believe it is a proposal well worth considering.

Mr. Speaker, the motion in the name of the Social Credit party deals with two matters, the first of which has not been debated at all, as yet. Neither the first speaker for the Social Credit party, nor the hon. member for Témiscamingue made reference to this part of the motion. I would remind the House of the terms of the motion itself—the first part. It reads:

That this House finds highly deplorable the attitude the government has demonstrated by taking advantage of its majority to draft many of its bills in such a way that different matters are dealt with in a single text—

In other words, as I understand it, the motion condemns the government, for bringing in omnibus bills. I believe the House is right to be cautious when asked to consider bills which cover a number of unrelated matters. But I suggest the government has been careful when bringing forward what are loosely called omnibus bills to observe consistency and confine the subjects to closely related matters.

I could pick out one or two pieces of legislation to illustrate my point. One is the measure presently before the House, Bill C-83, which deals with certain aspects of the criminal law. It has one theme—measures to provide greater peace and security. If it is argued that it would have been better to have brought forward a whole series of amendments by way of separate bills, I would answer that not only would we have found greater difficulty in dealing with the essential and urgent legislation which is before the House, but we would be repeating the debate on each of the items of legislation. I suggest the government has done the House a service by bringing forward in one bill amendments to the Criminal Code concerning peace and security.

● (1700)

I should also refer to another bill introduced some time ago early in the session, Bill C-16, dealing with the status of women. That bill did amend eight separate statutes, but the common theme was to provide equality of status for male and female persons. Surely the House would not have thought it desirable for the government to have introduced eight separate pieces of legislation simply because the bill purported to amend eight existing laws.

Various speakers, particularly the hon. member for Halifax-East Hants, have referred to the rules of procedure of this House. As President of the Privy Council and, for the time being, chairman of the House committee on procedure and organization, I should like to express my hope that we will bear these considerations in mind when we are dealing with changes in the rules which are now under consideration in the committee.

We do not as yet, in my judgment, have rules that enable us to deal effectively with the legislation that comes before this House, nor with the bills that we are being encouraged to introduce nearly every day to deal with other matters and for which we have not the legislative time. Moreover, I thought the hon. member for Halifax-East Hants was quite right in saying that under our present rules we do not have adequate time to deal with what he called the subordinate legislation made under existing statutes.

I believe that these comments are well justified. It seems to me that in this House we often substitute length of debate for careful consideration. There are so many occasions when an attempt is made to hold up legislation rather than to bring it to a conclusion and reach a decision. I can understand, Mr. Speaker, the desirability of giving the public time to understand the nature of the proposals that are put before the House so that members of parliament can get the reaction of the public; but there comes a time when an excessive dependence upon that particular principle simply inhibits this House from doing the job for which its members were elected.

I am quite satisfied, in my own mind, that this is not a contest between the government and the opposition. So often it seems to me that the proposals that are made for changes in the rules are represented as an attempt by the government to push its legislative proposals through the House. I, personally, do not think that is so, nor that the opposition should look upon it in that light. Perhaps some day they will be in government and will understand the problem from our point of view. If they work hard and show responsibility, they will have a better chance in the future, I suggest.

At any rate, one of the problems I feel we have encountered in amending our rules is that there are stereotyped reactions to proposals. The opposition says, "This is a government move to expedite undesirable legislation", and they take that attitude toward it. In the United Kingdom, where the rules are so much tighter and there is much greater control over time in the House of Commons, there is very little difficulty on that score because the two major parties alternate in office and know that one or the other will either be in government or in opposition at some time in the future.

May I also point out that there have been changes in the rules which enable us to deal much more successfully, and with less risk, with omnibus bills—for example, the provisions now in the rules enabling us to bring matters back into the House at the report stage. This was not so easily done in the past. Prior to this rule change, bills were considered in committee of the whole. But as someone has pointed out, there is a great deal of difference between considering a bill in committee of the whole and voting upon it in the House. Nowadays, a member has the right to put down amendments at the report stage and these are voted on individually and a recorded vote is taken. This is why omnibus bills can be dealt with more effectively than they were in the past.

I could say a good deal more on this subject, Mr. Speaker, but I believe hon. members are familiar with the problem and the changes that have been made in our rules enabling us to deal with omnibus bills without risking the possibility of dealing with a whole series of unrelated matters in a single piece of legislation.

Another development that has occurred recently and which is reflected on the order paper is the introduction of a bill to deal with technical amendments of a non-controversial character. This will be, in the truest sense, an omnibus bill. It will deal with many, many statutes. I look upon this—and I think the House should, too—as a very great improvement in the procedures for dealing with legislation. I hope in the future it will avoid the necessity of bringing in a whole series of minor bills to correct technical errors.

I come now, Mr. Speaker, to the second part of this motion, which deplores the "obvious tendency to extend the scope of regulations under which pieces of legislation are to be implemented . . ." We are all aware of the increasing complexity of government. I should like to read to the House the opinion of one of the acknowledged experts on parliamentary procedure, Professor J. R. Mallory, who appeared before the special committee on statutory instruments on April 29, 1969. He put the problem forward in very clear language, and this is what he said:

> The development of delegated legislation is one of the things that is necessary in the kind of modern urban and highly technological society in which we live. But necessarily parliament itself does not have the time or the capacity to produce all of the regulations which are necessary for the regulation of living in modern conditions. It is more important that parliament should devote itself to the big questions and keep a constant and wary eye on major questions of policy.
>
> This, of course, was not in the beginning. At the time of confederation we lived in what is commonly called the night-watchman state. Nobody thought in those days that much regulation was necessary to protect the essential interests of the citizen. But now so much needs to be regulated to protect our health and welfare and safety because of the complexities of travel by air and sea and land, because of the need to develop provisions for the health and welfare of people under modern urban conditions. Also this kind of regulation by its nature requires very often rapid adjustment. We cannot live forever with a set of regulations about aircraft safety which were designed in 1918. We may have to change them with some rapidity. So that parliament simply has to delegate the power to make many regulations to subordinate bodies in the executive: ministers, government departments, the Governor in Council or some other kinds of Crown agencies.

That is the nature of the problem, Mr. Speaker. All of us who are members of parliament, including the government, may deplore the necessity to delegate in this way to ourselves, to our agencies and to other bodies the right to make subordinate legislation. But when we come to deal with practical issues that are facing us, we really have no other alternative.

● (1710)

That is why I believe the arrangement of the Joint Committee on Statutory Instruments and Regulations was a great step forward. First of all, it reinforces the government's own efforts to ensure that regulation is within the authority granted by parliament. Secondly, it does open the way for a review of what is done under this subordinate legislation.

As I have said, I thought this was a very useful suggestion made by the co-chairman of the committee, that there might be some new procedure developed which would enable a committee of this House, if not the House itself, to have a look at substantial measures enacted under regulatory authority.

As you know, Mr. Speaker, we now have a system whereby all orders that have legislative effect are tabled here in parliament, are automatically referred to the standing joint committee and are also published so the public can know what is being done. So we have established the machinery.

I do not think we in this House can ever be less than very wary of the extending power of government. We must always be very careful to ensure that it is this House of Commons which makes the ultimate decisions. I must say,

however, that there is no way—indeed, even if all the rule changes I might favour as a member of the government to promote the reaching of decisions on government proposals were to be adopted—by which this parliament could avoid granting to the government delegated authority, because it could not legislate in time to deal with the changes that arise because of changing circumstances.

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, I am very pleased to enter this very high-level debate during which we shed our partisan clothes and look at this resolution of the Social Credit party on this opposition day, at the time when we are apparently pressed for time in dealing with more important matters facing parliament. I must admit, with the greatest deference to the Social Credit party, that I find some difficulty in interpreting the subtlety of the motion, particularly when the President of the Privy Council (Mr. Sharp) referred to the fact that the lead-off speaker for the Social Credit party had not been speaking with reference to the motion. My own interpretation and assessment of the motion leads me to the belief that there is virtually nothing which could be said in this House today that would not come within the ambit of the resolution. It is a very broad resolution indeed.

This is a resolution which deplores a tendency which I think any member who has any sensitivity toward this institution would have to assume is a downgrading of parliament and this institution. I say that without pointing the finger of accusation at this or any other government. It deplores the tendency to, in fact, abdicate our responsibilities as parliamentarians by accepting the suggestion far too often that we should delegate responsibility by way of regulation and by other orders to the civil service or members of the public service of Canada. This is one thing that certainly has impressed me in my short time as a member of parliament.

I have had what I suppose is the distinct pleasure and honour of serving on that Joint Committee on Statutory Instruments and Regulations, referred to many times by the President of the Privy Council. I like to mention on each occasion we have a debate relating to that committee that it was my initial impression that the whip of our party, who is now my seatmate, sent me there for the purpose of administering a form of punishment, in the belief that a new member had to go through his own form of purgatory by sitting and looking through the mounds and mounds of regulations and orders in council which are promulgated by the government from time to time.

I was rather interested, from that point of view, in determining what kind of experience we have had in Canada in respect of the enactment of regulations and statutory instruments. The information I have from the Canada *Gazette*, part II, indicates that during the period of years from 1972 to 1975 there have been a considerable number of regulations promulgated. To give the House some idea of the scope and the extent of this delegation of power under statute to officials of various departments, it is interesting to note, for example, that in 1972 there were no less than 580 regulations and statutory instruments published in the Canada *Gazette*. In 1973 the figure was 755; in 1974 there were 560, and in 1975 there were 780. This is a very substantial number of regulations for any government, let alone the government of Canada, to have promulgated.

This does not tell the whole story. The fact of the matter is that in addition to these documents which are published in the Canada *Gazette* there are, as yet, an undetermined number of orders passed which have the effect of regulations affecting the citizens of our country on a day to day basis.

As I indicated at the outset of my remarks, I think there should, and will be, on both sides of this House a general approval of what I perceive to be the intent of this resolution. It is not good enough for the President of the Privy Council to have pointed out that we have, in terms of parliamentary time, simply not enough opportunity to deal with the technical aspects of legislation, or that things are getting so complex in the society of this country that we have to turn over the responsibility of passing regulations to the bureaucrats, the civil servants and departmental officials. That is an oversimplification of the situation and an easy "out" for the government.

We must be extremely vigilant in parliament regarding this growing tendency which is a very easy way for government to deal with matters. We must try to encourage the government to propose legislation which has not just a skeleton or bare-bones outline of principle but, rather, gives us in some reasonable detail the kind of information we, as parliamentarians, require in order to make a proper assessment of the merits of the proposed legislation.

One of the prime and most important pieces of legislation we have dealt with in current days, it seems to me, was the legislation relating to the anti-inflation program and the Anti-Inflation Board. I do not want to go over that debate as the facts have been repeated on a number of occasions. However, I think this is a good example of the situation.

We now see the anti-inflation legislation in operation. The Anti-Inflation Board and its administrator have been given a mandate under the act. We find that parliament has effectively lost control of the anti-inflation program, with the exception of one or two instances where the government of the day feels inclined, for whatever reason, to give instructions to the board or the administrator. When this happens, the government does so as though it were infringing or impinging upon a god-given right of the Anti-Inflation Board.

The government seems to take the attitude that it wants to avoid any form of leadership in respect of decisions by that board, sort of removing itself from the political considerations that go into the decisions of the Anti-Inflation Board. It seems to me that in the legislation creating the Anti-Inflation Board we have a prime example of legislation that affects the vast majority of the people in this country and the country itself in terms of its future economy.

● (1720)

We find that although the bill consists of very few clauses, it contains an important clause relating to the ability of the governor in council to pass regulations to give effect to the over-all principle which is stated in, practically, one clause of the bill. It refers to the government's intention to fight inflation. It seems to me that this

example and the resolution of the Social Credit party at this particular time, when we have had an opportunity to assess the work of the Anti-Inflation Board over a period of some months, at least gives us an opportunity to consider the direction in which we are moving in respect of this kind of legislation, and an opportunity to remind ourselves of the general alarm we all felt about the Prime Minister's statement about the end of the year in which he said we should continue to look at a new society with the idea that perhaps controls might be a way of life. We should take a second look at the situation on this basis and hope that we will be able to bring this concept to an end before the next election.

As I have said, I wish to keep this above partisan politics, so I mention that merely as a possibility. The fact of the matter is that there have been some fundamental changes in parliament over the years. I had the opportunity to work, not as a civil servant, as did the President of the Privy Council, but as an executive assistant in the government when the right hon. member for Prince Albert (Mr. Diefenbaker) was prime minister. At that time I had an opportunity to observe the role of parliament and the role the opposition played in that whole scenario.

I recall that the government at that time had a majority consisting of 208 members. I believe there were something like 48 or 50 members of the official opposition. I remember very well the situation at that time. In those days there was a very fundamental prerogative of parliament which now has been removed. I refer to the whole question of supply. I remember when the ministers came down to the treasury benches, to pass their estimates, how concerned they were about having to face the opposition at that time because the opposition had the right to withhold the granting of supply until such time as answers were forthcoming from the ministers concerned.

Simply because I am a member of the opposition, I am not suggesting we should have any greater rights than the government. However, I suggest there is a role the opposition plays in the parliamentary system, although the idea apparently has now being given up of returning supply to the House and giving the House the ability to withhold the granting of supply. This idea of returning supply to the House is not a bad idea at all. We have had the experience of the past few weeks and months of seeing ministers delegate their ministerial responsibility.

I suggest to the government House leader and to members of the cabinet who are present today that some of the problems we have had may not have arisen if, in fact, supply had remained in the House and if, in fact, the ministers were not in a position to slough off their responsibilities. As I say, some of the problems we have had would not have occurred had we had supply in the House and an opportunity for the opposition to withhold supply by carrying on the debate. Of course, the opposition has a responsibility in this regard because of the need for supply to go forward at a certain time and because otherwise certain people might not be paid.

As I say, that is a responsibility which rests with the opposition. I suggest that the minister, at least, should be in the position of having to answer for the activities of his own department and not be in a position to slough off any part of that responsibility by saying he received improper or unreasonable advice from some poor career public servant.

I think it is unfair, as we saw today, for the Minister of Supply and Services (Mr. Goyer) to suggest that a public servant in his department, Mr. L. H. Stopforth, had given him wrong information. I wondered then, and I wonder now—aloud—whether it is good practice for a minister to get up and simply blame someone under his authority and have him moved to another position, as opposed to the minister taking the full responsibility for his department and suffering the consequences even to the extent of tendering his resignation if his department is not functioning.

I think we will pursue the whole question of ministerial responsibility on subsequent days, because it is not clear to me that the Minister of Supply and Services is completely fault-free in this regard. There are other circumstances which have come to our attention which indicate that the minister either did know or ought to have known the full circumstances of the LRPA negotiations and should not have used one of his civil servants as a scapegoat in order to avoid responsibility for his department.

As I say, I intend to deal with this motion on a non-political basis. I am sure hon. members opposite will agree that I am doing very well in this regard. I think our committee system, which is part of the over-all process of government, is relevant to the motion the Social Credit party has brought forward. One thing I have noticed since I have been here as a member of parliament is a tendency, which I do not recall being apparent at the time I was here previously as an executive assistant, of ministers not to appear even when their estimates were before the standing committees but, rather, to send their deputy ministers.

I notice that there also has been a tendency to send deputy ministers to field, and occasionally attempt to answer questions of policy. I think, first of all, we should take a look at this development in respect of our committee system. If we do not have supply in the House of Commons, I think at least the minister should appear at each committee meeting, without exception, to deal with matters of policy. If the hon. member opposite thinks it is an exception to the rule when ministers do not appear, I suggest that he look at the situation in respect of legislation. The tendency there is to have the deputy minister appear and answer questions concerning particular legislation. I could give an example of occasions before standing committees when a member of the public service has come in and has been asked questions relating to government policy or, as we refer to it euphemistically, departmental policy.

Mr. Sharp: Mr. Speaker, may I ask the hon. gentleman a question? I have been very interested in this line or argument. My experience was that when I appeared they did not want me; they wanted the Clerk of the Privy Council. Does the hon. member support that point of view, or does he think it should just be the ministers?

● (1730)

Mr. Hnatyshyn: I am glad the minister raised that interesting observation, because what I think should be the case, and what the practice is, are different. I think there should be consistency, and the President of the Privy

Council (Mr. Sharp) points out in very vivid form the defect in the course the government is following because the fact of the matter is—

Mr. Goodale: Inconsistent.

Mr. Hnatyshyn: Inconsistent is the word, and I am glad the hon. member for Assiniboia (Mr. Goodale) brought this word to my portfolio of ammunition for this particular point.

The fact is that the government has allowed deputy ministers to come forward and give evidence in these cases as a matter of practice, but in certain instances they have denied that right. The outstanding example was when the Prime Minister refused to let the equivalent of his deputy minister come forward. You cannot have it both ways, and I agree with the minister that when you open up the proposition that deputy ministers and civil servants are going to be speaking on behalf of the government, you should be consistent and have it right across the board. All I am saying is that we in parliament should give consideration to whether this is in accord with the parliamentary tradition we have in this country. Should we be allowing deputy ministers to answer on questions of policy, or should it be the strict responsibility, with some sanction attached, of the minister always to answer and to be advised by his civil servants and his deputy minister?

I simply pose that, not in a partisan manner, but simply to point out that the tendency, at least while I have been here, has been to have the civil servant appear before these committees, and I wonder aloud whether that is a good development as far as our parliamentary practice is concerned, and whether it does not lead to some of the questions with respect to ministerial responsibility which have arisen in question periods and in debate in this House over the past few months.

I want to endorse what was said by the hon. member for Winnipeg North Centre (Mr. Knowles) yesterday with respect to another tendency of the government, to deal with matters without legislation and bills passing through this House. The hon. member for Winnipeg North Centre quite rightly brought to the attention of the House the question of Loto Canada. Whatever our point of view is with respect to that initiative and whether or not we are in favour of the way the government is proceeding, we in this House have been denied the right to speak about Loto Canada on the floor of the House or to deal with it other than by reference in a supplementary estimate to a standing committee.

Mr. Sharp: Or on a supply day.

Mr. Hnatyshyn: As I understand the Government of Canada, the cabinet gives leadership and the opposition tries to give constructive criticism. I suggest that the overriding responsibility of any government I know is to initiate legislation so that it can be considered by Her Majesty's Loyal Opposition and other opposition parties for the purpose of their giving constructive criticism. However, in this case a tendency which I do not appreciate has been followed with respect to Loto Canada. It has been a tendency to shove this particular initiative through the back door.

I see that you are moving to your feet, Mr. Speaker. In conclusion may I say that I appreciated the opportunity of participating in this debate, but I did want to make that one point with respect to Loto Canada. I would have thought the government would have had a sense of responsibility and leadership, and would have brought forward specific legislation so that we would know exactly what we were getting involved in and so that we could argue the merits of the case. Unfortunately we have been denied this right, and I think the Social Credit resolution, for that and other reasons, should be supported.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, anyone following this debate today without making reference to the motion which has been put down might not know what it is we are discussing. The amount of time which has been spent debating the actual terms of the resolution has certainly been at a minimum.

There are a few things I want to say which I think are related to the essence of the motion, but first I want to take three or four minutes as an individual member of parliament to protest very strongly against the attacks made in this House today on public servants.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I not only resented those attacks, I also resented the amount of applause which came from government supporters across the way when those attacks were made. We were told that public servants treat members of parliament with ridicule, that they laugh at us, and that they tell us where we can go. I have been in this House of Commons for more years than any other member except one, the right hon. member for Prince Albert (Mr. Diefenbaker), and I want to say that I have never been treated with discourtesy or lack of respect by any public servant. Like other members of parliament, I have a great many dealings with them. I write them letters, I call them on the telephone, and I go to see them.

An hon. Member: What about judges?

Mr. Knowles (Winnipeg North Centre): I do not telephone judges. If I telephoned a judge, I hope he would say something critical.

My friend, the Minister of Veterans Affairs (Mr. MacDonald), is sitting here. I pick him out because he is here, as he is so often, and I pay tribute to him for his attendance.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): He can be proud of his officials. As he heard me say in the Standing Committee on Veterans Affairs the other day, I think he has a tremendous staff in his department. I deal with them a great deal. I deal with the chairman of the Canada Pension Commission, with the chairman of the War Veterans Allowance Board, with the chairman of the Pension Review Board, with those who are charged with treatment services and with the Veterans Land Act and all the rest of it.

Mr. Knowles (Norfolk-Haldimand): Hear, hear!

Mr. Knowles (Winnipeg North Centre): My namesake is echoing what I said: we get nothing but courtesy from them. They do not always grant us what we want or what we ask for, they cannot always accede to our requests, but they treat us with the utmost respect and courtesy.

I have the same multiplicity of dealings with the Department of National Health and Welfare, particularly on the pension side. I receive service and courtesy all the time. I could go on and speak of the Department of Labour and the Department of National Revenue, those tax people. Even those nasty tax collectors treat us with respect. I also deal with the Department of Manpower and Immigration, particularly the immigration side.

I will go on and say that I can remember that 25 or 26 years ago, when I was on a very important committee on social security, there was a relatively senior civil servant in the Department of Finance who was more or less attached to that committee. I do not know what he thought of some of my ideas—and if I may say so, we pushed our ideas at him until we won—but even that senior civil servant—they were civil then, not public—in the Department of Finance treated us with respect and courtesy, and he sits here today as the President of the Privy Council (Mr. Sharp). In fact he has said things about me—not to me—since he has been a minister which he never said when he was a civil servant.

Mr. Goodale: He is right.

Mr. Hnatyshyn: Which time?

Mr. Goodale: All the time.

Mr. Knowles (Winnipeg North Centre): It is a popular indoor sport to blast the public service, and I think we should remember this is one place where they do not have the chance to fight back or to defend themselves. I ask all hon. members, where would we get and how would we make any headway in our attempt to play the ombudsman role of representing our constituents if we did not have the help and co-operation of the Public Service of the Government of Canada?

Some hon. Members: Hear, hear!

● (1740)

Mr. Knowles (Winnipeg North Centre): I am glad to have a fair amount of support from other members, but speaking for myself I want to pay tribute to our public servants. I said something else privately a moment ago and did not intend to say it publicly, but having got this far I might as well. On occasion some retired public servant will write me a letter and say that now he is retired he can say something he could not say when he was in the public service—that within his particular department they appreciated the way I presented my case and fought for my constituents. I tell that not just to put on the record a bouquet that has been given to me but to suggest that this is a two-way street. If we treat public servants as they deserve to be treated, they will give us service; but even if we do not treat them that way, they treat us with courtesy.

An hon. Member: What about members? What about respect?

Mr. Knowles (Winnipeg North Centre): I am sorry that my hon. friend has not understood me. That is exactly what I am saying—my experience is that the public servants treat members with respect and courtesy. I object to the tirades against them this afternoon.

Part of this motion has to do with the multiplicity of regulations, the amount of governing that has to be carried on in that way. I have the same concern as everybody else that there are too many regulations and that too much is done by way of order in council and regulations. But when you have an operation as gigantic as that required to govern 22 million or 23 million people, an operation that is carried on by 250,000 or more public servants, you cannot settle every last detail in this Chamber. You have to delegate some of the authority to make some of those decisions.

That leads me to say that I think one of the most important statements made this afternoon was that made by the hon. member for Halifax-East Hants (Mr. McCleave) about the way we use our time in this House of Commons. It is a plain fact that we cannot deal with everything. That being the case, I hope we may yet come to the point where we can use our time to deal with the most important things, the major issues of policy. Let us deal with them here on the floor of this Chamber. The ministers should be responsible to this House, but let us face the fact that details will have to be worked out at the administration level. As the hon. member for Halifax-East Hants pointed out, that means we must find some way of coping with the problem of time.

The President of the Privy Council and others can turn up certain pages of *Hansard* and show where at times I have resisted the government's attempts to impose closure or the use of Rule 75C. I simply say to them that my aim is that we come to a means whereby we can co-operatively decide on the use of our time. What I cannot accept is one side saying how we should use our time. To me that is closure or dictatorship. We must have enough sense on both sides of the House to plan the use of our time so that we do not waste it in great lengthy debates on unimportant issues, and thus deny ourselves the right to debate issues that are really important.

I have said that I think a government should tell us at the start of a session what its total program is. The government pretty well does that now, except when it keeps the session going for two years. Then we have lost track of the beginning of things. Having given us the list of what is to come before us, then the opposition parties should have the right to pick four or five items on which we want unlimited time. In return we should agree that there are 10, 15 or 20 items that are so routine they ought not to have debate in the House at all but should go to second reading committees, consideration in committee, and even third reading outside of the House, and in between the very crucial issues and the relatively unimportant ones there are issues to which we could give some maximum time limit.

The purpose of this is not to accommodate the government—although the government is always seeking accommodation—but to accommodate parliament so that we have time to deal with the major issues and not feel, as is being expressed so many times today, that we do not get at the issues and that therefore the public servants are doing

things by administrative methods, getting orders in council and regulations and so on. There are times they have no option. When matters have to be dealt with and cannot get on the floor of parliament, the administration has to go up through the deputy ministers and ministers to try to get something done. I want to commend the hon. member for Halifax-East Hants for his suggestion, and I hope the House will take it seriously.

The third thing I had intended to speak on has already been mentioned by the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn), and I do not quarrel with his having done so. I suspect that he might not be as opposed to state lotteries as I am. I shall put my cards on the table—if that is the proper phrase when speaking of lotteries.

I do not believe we should have a national lottery at all, but apart from where we stand on that basic principle, surely we must all accept the fact that this Loto Canada, especially if it is for all time—and I have a suspicion that is what will happen—but even if it is for three years, is a totally different way of raising funds than the parliament of Canada has ever authorized. It is a form of taxation, in my view; it is not levied according to ability to pay, it is levied according to the instinct for gambling, the desire to win something for nothing. The result is that the tax bears heaviest on the poor.

The first time this parliament of Canada goes in for that method of raising public funds we are doing something pretty crucial. For it to be done in a way other than the standard practice of a bill that comes into parliament, has second reading debate, committee debate, and third reading, is scandalous. For the minister to say there can be debate in the Standing Committee on Miscellaneous Estimates is begging the question; to say that the opposition can bring it back on an opposition day—since when does the government get out from its responsibility to bring its measures before parliament?

What happens is that the government wants this; the government is boss; the government is king; the government is God. It wants Loto Canada, and it sees it is not going to get it by the end of June through the normal process of bringing in a bill so it brings in a supplementary estimate, shifts it to committee, and knows through the way things have been working this month that come the end of June it will be back here in a supply bill and we will not have a word of discussion about it on the floor of the House of Commons. Mr. Speaker, I submit that is playing fast and loose with the way this place ought to operate.

That is all I want to say today. At first I was not even sure I would take part in the debate. The wording in the motion seemed a bit obscure to me, and as the debate got going I was not sure what it was all about. But I did feel I had to answer the charges against the Public Service, and to emphasize again, as the hon. member for Halifax-East Hants has done, the importance of our coming to grips with the problem of how we use our time.

I also want to protest again the way in which the government is bypassing the normal processes of parliament with respect to a change in the methods of raising money—a change which I think is very sad.

[Mr. Knowles (Winnipeg North Centre).]

● (1750)

[*Translation*]

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am pleased to rise at the beginning of this debate, at least I thought it would be the beginning, but of course there have been unexpected interventions. I simply would like to state that I disagree with the last remarks by the hon. member for Winnipeg North Centre (Mr. Knowles) who said that indeed the motion was ambiguous and left much to be desired.

At the beginning I tended to share his opinion but as I was preparing my contribution to this debate, it became more and more apparent to me that the Social Credit Party had spread a very large net which might include a series of comments such as those which were made by all the hon. members who took part in this debate.

Mr. Speaker, I congratulate the Social Credit Party for giving us the opportunity to present our views on the operation of the House and the relationships between the diverse parts of Parliament, that is to say the political and administrative aspects of our institutions.

[*English*]

I take issue, as well, with the hon. member's comments relating to Loto Canada. If, as was suggested by the opposition House leader, an understanding could have been reached whereby we would debate a bill for a limited time while remaining fully conscious of the time limitation we face, the hon. member for Winnipeg North Centre might not have found it necessary to make the comments he made this afternoon.

In presenting legislation affecting this summer's Olympic Games the government has been badly served. Hon. gentlemen opposite will recall that after the 1972 election we debated—the hon. member was not present but he will recall the publicity—bills providing for coins and stamps. Hon. members opposite agreed that that legislation was essential, that it represented the federal government's minimum contribution to the success of this summer's Olympics. The Prime Minister (Mr. Trudeau) indicated that it was the extent of the contribution we were to make. It was recognized that our contribution would be ancillary, not direct, and that that would help with the financing of the Olympic Games. But by keeping the legislation in committee for an unreasonable period while saying they approved it, the opposition impeded passage.

It is recognized now, in light to the present day situation, that the Loto Canada provision will do no more than continue for three years a system which has been working and in place for two years.

Mr. Knowles (Winnipeg North Centre): But not at the federal level.

Mr. Hnatyshyn: And that is the big difference.

Mr. Blais: Effectively, the legislation will establish a national lottery, which will do no more than continue the system which has been in place for two years. We are seeking start-up funds, and the minister introduced the measure in a way the hon. member finds objectionable. I point out that the measure will be debated in the Miscellaneous Estimates Committee and, as in the past, action

could be taken to permit the appropriation bill to be debated in the House. This could be done through a special House order. There is nothing to stop that happening. It has already been done during the present session.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, will the hon. member permit a question? Does the hon. member suggest that, any time the government is in trouble because the opposition does not agree to something, it can deal with the matter with a supplementary item in the estimates?

Mr. Blais: Mr. Speaker, we are dealing with this summer's Olympics. The Olympics will take place this coming summer. As the government House leader has already said, the government would like the House to adjourn by June 30. The Olympics will begin in July. It is recognized that we are dealing with a matter of considerable urgency. If it were presented in the form of a bill, we know on the basis of experience based on other legislation that the opposition could use the fact that the government wishes to adjourn as a lever by which to prevent passage of the legislation and to achieve such other things as it deems appropriate. The government, in accordance with its own responsibilities, has chosen not to pursue that particular course of action.

Mr. Knowles (Winnipeg North Centre): So you did it the wrong way.

Mr. Blais: The opposition can incite public opinion against the legislation as much as it wishes. I merely say that the government has chosen a particular method of proceeding, and is acting in accordance with its executive prerogative. Surely the last judgment must reside in the Canadian people.

Mr. Knowles (Winnipeg North Centre): Give us a chance.

Mr. Blais: You will have a chance.

Mr. Hnatyshyn: When?

Mr. Blais: I made my first point. I come to my second point. I take issue with something the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) said. He suggested that a practice has developed in committee hearings whereby civil servants enter the meetings and make declarations on policy. Mr. Speaker, with respect, I have attended more committees than the hon. gentleman has, and have participated in committee meetings more than most hon. members of this House but I have never seen a member of the Public Service even try to make a declaration of policy. I fail to see why, in his partisan speech, the hon. member would make such unfounded allegations.

Mr. Hnatyshyn: I will give you chapter and verse.

Mr. Blais: As is evident from the hon. member's question addressed to the President of the Privy Council (Mr. Sharp), the hon. member fails to see the inconsistency of his position. He wondered if the Clerk of the Privy Council could appear before the committee studying the Privy Council estimates. No doubt the hon. member wanted the clerk to make policy submissions. But the President of the Privy Council quite properly said, "Look, I am here. I am the President of the Privy Council, and I am responsible for the Privy Council. Therefore direct your questions about my department's estimates to me." But that did not satisfy hon. members opposite. They wanted the public servant to appear. Mr. Speaker, they can't suck and whistle at the same time. When the hon. member was an ordinary backbencher I might have excused that kind of comment, even though it would have been irresponsible. Now the hon. member has been appointed to a responsible position and I therefore ask him to refrain from making such statements, and to be consistent. May I call it six o'clock?

Mr. Deputy Speaker: Order, please. It being six o'clock, I do now leave the chair until eight o'clock.

At six o'clock the House took recess.

[*Translation*]

AFTER RECESS

The House resumed at 8 p.m.

Mr. Blais: Mr. Speaker, as I said before supper, the motion presented by the Social Credit Party of Canada was in fact motivated by their frustration in the face of bureaucracy.

As a matter of fact, they situated the problem within the parliamentary context and stated that backbenchers, which they all are, had serious problems whenever they wanted to discharge their responsibilities as ombudsmen, law-makers and spokesmen for their constituents. I feel justified in discussing this question, Mr. Speaker, since the hon. member for Shefford (Mr. Rondeau) has shifted the debate in that direction. I admit that there are rather serious frustrations and that the number of civil servants has increased quite significantly since World War II.

Of course, it has become obvious from the questions they put on the Order Paper, that the members of the Social Credit party are really anxious to see that their constituents avail themselves of all the programs. Of course, they are aware, as I am, and as are all hon. members, that there has been an increase in the federal programs of assistance to the electors. I need only mention the LIP projects, old age security benefits, family allowances, and subsidies to the farmers. I could spend hours listing them. Of course, such achievements require a substantial increase in the number of civil servants.

Actually, some way must be found to monitor those people more efficiently. I recognize, as do the other hon. members, that means are already available by which the House may monitor the bureaucracy and the executive. One need only mention the method used here, that is, questions that are put on the order paper. This year, Mr. Speaker, over 5,642 of them were put on the order paper. Improvements are necessarily needed. But the information used can help hon. members in their questions to the ministers, either here in the House or in the committees of the House.

It is obvious that if in answer to a question an hon. member is satisfied to be told how much money has been spent in his riding, he will not have enough information to

be able to ask intelligent questions. There is also another way. Hon. members may submit a notice of motion for the production of papers. This would yield additional details which could be used when hon. members put questions to ministers and officials in committees. But members of the Social Credit Party of Canada must recognize that they should take a more active part in the Committees of the House, because that is where things happen, where hon. members can get relevant information from officials.

The first point raised by the hon. member for Shefford (Mr. Rondeau), which I consider the most important, relates to the lack of a codification system in public administration. I agree entirely on this point; there is a gap and we should remedy this situation immediately. As you know, the Committee on Regulations and other Statutory Instruments is now sitting. I shall appear before this committee tonight at 8.30 p.m. This committee is responsible for producing or suggesting to the government the legislation to be introduced.

I think a portion of this legislation should provide directly for the obligation for the government to codify their services, to offer a reference source to those people who want to know where to ask not only for information but for services.

Thus the hon. members of the Social Credit Party of Canada think that this codification should concern the Committee on Regulations and other Statutory Instruments, while they are not regarded as that much important. Mr. Speaker, the second point raised by the hon. member for Témiscamingue (Mr. Caouette) relates to television. The members of the Social Credit Party of Canada consider that—

The Acting Speaker (Mr. Turner): The hon. member for Rimouski (Mr. Allard) on a point of order.

Mr. Eudore Allard (Rimouski): Mr. Speaker, I apologize to the hon. member. He said that our representative did not very often attend the meetings of the Standing Committee on Regulations and Other Statutory Instruments. I would like to point out to him that Mr. Laprise was our representative on that committee, and as we all know, Mr. Laprise had been seriously ill and unable to attend all meetings.

Mr. Blais: Mr. Speaker, I readily admit that Mr. Laprise has been ill and I do not want my remark to reflect on him in any way. All I want to say is that there are means which members of parliament may resort to in order to have the situation improved. I am willing to help things improve. I invite the members of the Social Credit party of Canada to make their own contribution.

I will now deal with the introduction of television into this House, Mr. Speaker. The member for Témiscamingue (Mr. Caouette) has indicated,—and I can very well understand—that he was offended by the fact that, on budget night everything was happening outside the House while we, were here listening to the speech delivered by the Minister of Finance (Mr. Macdonald). Indeed, our contribution was quite small, if not nil. I object to that. I think it is not fair that we, as elected representatives of the people, had to sit in this House to listen to a speech which lasted 90 minutes while in fact the press was already informed of all the content of the budget in order to broadcast this information over television.

I suggest to members of the Social Credit party that they too support the measure to introduce television in the House because if indeed our proceedings and debates were on television, this question would be at most an abstract question and we would wonder what to do with the press since everything obviously would be reported from the House. There would be no more need of a lock-up, or to hold interviews outside the House during the budget speech since everything would be done inside the Parliament. Of course—

● (2010)

[*English*]

Mr. Baker (Grenville-Carleton): Oh, go on! You think they would listen for 90 minutes?

Mr. Blais: I can see why there is such a negative reaction on the opposite side. Looking at their pusses day in and day out I can understand why the electorate of Canada would never wish to elect again such poor figures.

[*Translation*]

Mr. Speaker, to conclude, all I wish to say is that, obviously, things should be improved in this House but I am not one of those who say that the House of Commons is losing some of the importance it used to have. It is not true. The Canadian public is already better informed, more interested and is asking for still more information. People want to know what is happening in this House. They want to get the information we can supply them.

Obviously, Mr. Speaker, we must use the means at our disposal and let them know what we do in this House. It is not just a matter of using telephone, newspaper, and television facilities outside the House; but we should also use electronics in the House to convey to the population at large the information that is requested from us.

An hon. Member: To the public at large.

Mr. Blais: As for those who think that actually the House of Commons is no longer interesting, they are totally wrong, Mr. Speaker, since the major part of the federal government's business is carried on in this House and the major decisions made by the government are echoed here. It is also here in this House that the government replies to the accusations brought by the opposition and it is here that we account to the country for the management of the public affairs of Canada. All I ask the members of the opposition is to admit that the best way to let people know what happens in this House is to use the method acknowledged by everyone as the most sophisticated, the most advanced information media, that is television.

[*English*]

I wish to thank members of the Social Credit Party for giving the House the opportunity to engage in such a wide-ranging debate. I am sure no two members have talked about the same issue since we began this afternoon. It shows the importance of the place this House holds not only for the members of parliament within its precincts but for the electorate generally and all Canadian citizens wherever they may be.

[*Translation*]

Mr. Eudore Allard (Rimouski): Mr. Speaker, I am pleased to take part in this debate and to have the opportunity to congratulate my hon. colleague for Shefford (Mr. Rondeau) for presenting this motion.

I would like also to thank all hon. members who have spoken so far for taking the trouble of learning more about the procedures and orders of this House. I would like in addition to reassure the hon. member for Winnipeg North Center (Mr. Knowles) that, in my humble opinion, the motion put forth by my colleague for Shefford was not intended to blame civil servants but rather to draw the attention of the government on some of the powers of bureaucracy. I for one can vouch for the honesty, sincerity and devotion of most if not all federal civil servants. Besides, the remarks I intend to make shortly will not aim at blaming civil servants but rather the present government and the preceding ones, which, in my view, gave far too much latitude to some high officials.

This being said, Mr. Speaker, the question that i would like to raise now is who is leading Canada, who is conducting the affairs of the country?

● (2020)

In general, I think it is not difficult to admit that senior officials and bureaucrats are now managing the business of our beautiful and big country, either by interpreting our legislation according to their views or sometimes by passing the legislation which they consider more convenient.

As all members of the House know very well, since 1969 the Parliament in Ottawa has had a committee whose duty is to consider all regulations. It is usually called the Joint Standing Committee on Regulations and Other Statutory Instruments. Its duty is to review all regulations normally called "delegated legislation" to make sure that regulations are not contrary to the British common law. By the way, I must say that I am not altogether against regulations, but the fact is that when those regulations are drafted by bureaucrats, they should come to the House so that the legislators might compare the regulations and the legislation and, if the former sometimes take precedence of the latter, the legislators should have the power to correct them.

We must find out whether those regulations do not actually violate the British common law, the Bill of Rights or the intent of the statutes themselves under which they are enacted, because their contents may never go beyond the terms of reference stated in the delegating statutes. Therefore it may be considered that in some way the so-called "delegated legislation" is also "subordinate legislation".

In 1969, the committee headed by Mark MacGuigan, member for Windsor-Walkerville, made an inquiry into that matter. I would like to show, through statistical data, the numerical importance of the process of delegating authority. To illustrate, I shall quote from the report by the House committee that inquired on that subject in 1969, concerning the extent of regulatory powers delegated to the federal Civil Service:

> The administrative authorities and their staffs play an important role in the preparation of the statutes enacted by Parliament itself, since that vast majority of legislative proposals originate in the Administration. However, it is also now commonplace for the Administration to make laws directly, without having to observe the complex but safeguarding rules of parliamentary procedure.
>
> Four hundred and twenty of the 601 Acts of Parliament examined by the Committee (constituting substantially all of the statutes now in force) provide for delegated legislation. Moreover, a substantial majority of the answers given to question No. 2 of the Committee's questionnaire stated that statutory powers to make regulations have been used very extensively.
>
> The following statistics confirm this impression: 6,892 regulations covering 19,972 pages were published in the Canada *Gazette* during the period from January 1, 1956, to December 31, 1968, an average of 530 regulations a year. This does not take into account those regulations which are expressly exempted from publication and also some documents which are perhaps in fact of a legislative nature but are not officially considered to be so by the regulation-making authority.

So during the past 22 years, 6,892 regulations were published in the Canada *Gazette*, included in the unbelievable number of 19,972 pages of the publication. Let there be no amazement if I state that most of those regulations covering a number of fields have been and still are in force unless abolished or superseded by others, without ever coming before Parliament.

I remember a few particulars: in 1969, 638 regulations were passed; in 1970, 540 regulations; in 1971, 656; in 1972, 564; in 1973, 729; in 1974, 676; in 1975, 709; and up to May 12, 1976, 291 regulations were passed. In all, since 1969, 4,803 regulations were passed for the federal administration, 600 per year on average in the past eight years. As far as Quebec is concerned, it is felt that there are as many.

Indeed, excluding the numerous municipal by-laws in force at the present time, the following data taken from au article by Mr. Raoul Barbe in the *Revue du Barreau*, on page 386, give some indication of the quantitative significance of the phenomenon of delegated authority, and I quote:

> The development of the rule of law by the excutive is an important source of law, since in 1972, there were some 1,400 pages of legislation while the regulations covered over 3,000 pages of the size of the Quebec Official Gazette. (A) search has permitted the consolidation of some 950 regulatory texts (in effect in 1972) covering nearly 8,000 pages and published in 10 volumes known as the Legislation Implementation Regulations.
>
> About 450 regulatory texts are approved annually by the Executive Council and about 150 regulatory texts are approved by other regulatory authorities: either a minister, the Treasury Board or a regulatory board.

Now, after demonstrating the quatitative importance of regulatory power delegation, I would like to show the qualitative importance of this delegation of powers by using an example taken from the War Measures Act which reads as follows:

> (1) The Governor in Council may do and authorize such acts and things, and make from time to time such orders and regulations, as he may by reason of the existence of real or apprehended war, invasion or insurrection deem necessary or advisable for the security, defence, peace, order and welfare of Canada; and for greater certainty, but not so as to restrict the generality of the foregoing terms, it is hereby declared that the powers of the Governor in Council extend to all matters coming within the classes of subjects hereinafter enumerated, namely, (*a*) censorship and the control and suppression of publications, writings, maps, plans, photographs, communications and means of communication; (*b*) arrest, detention, exclusion and deportation; (*c*) control of the harbours, ports and territorial waters of Canada and the movements of vessels; (*d*) transportation by land, air, or water and the control of the transport of persons and things; (*e*) trading, exportation, importation, production and manufacture; (*f*) appropriation, control, forfeiture and disposition of property and of the use thereof.

Indeed, Mr. Speaker, I believe that we should urgently get involved in this area, as we are being invaded by bureaucrats.

The Committee on Regulations and other Statutory Instruments I referred to earlier came to the conclusion, to nobody's surprise, I think, that a great many pieces of legislation do not proceed from legislators but from senior officials, bureaucrats who earn $30,000, $40,000 and $50,000 a year. Mind you, I have nothing against such salaries.

Mr. Speaker, only Parliament can pass laws, but they are so vague that for the ordinary citizen, the noble disign of the elected representatives is very often less important than the restrictive regulations established by officials hanging out in their ivory tower of Tunney's Pasture or Wellington Street, or elsewhere in the national capital.

Before going any further, I would like to quote from a speech made by the hon. Guy Favreau, former federal Minister of Justice, on January 11, 1965, before the Lawyers' Club in Toronto and entitled: The State, the Citizens and the Ombudsman:

> Our laws are more and more like preambles. The detailed provisions remain to be drafted and amended at will by public service experts.

You know no doubt that quite often the law authorizes bureaucrats to make regulations. At first, the regulations seem less formidable than the statutes in general, but it can be said that the difference lies more in the words than in reality. The great majority of regulations passed by this House are in effect and quite simply because they can be enforced by officers or still by the court. I would like to give a rather concrete example, more specifically section 172, 4(b) of the unemployment insurance regulations. Unemployed are divided into three categories—unfortunately one is excluded, and I refer to farmers. That regulation provides that 50 per cent of the farmer's net income is deemed to be gains, even if his operations are in a deficit position. I think that is illogical and unfair, and I do not think this is what the legislator had in mind. In any event, that is not what I had in mind, I can assure this House.

Mr. Speaker, I would like to point out that the purpose of today's motion is not to deny the necessity for the government's regulatory action because, in the first place, it is readily admitted that Parliament does not have time to draft all regulations that become law, on the one hand, because Parliament does not have the technical knowledge and, on the other hand, because it does not have the flexibility and the capability to make quick and wise decisions. Suffice it to think only of two bills now being considered, Bills C-83 and C-84, to realize that it takes sometimes two, three or four months to consider a bill.

No, Mr. Speaker, this motion is aimed rather against the huge volume of regulations and particularly the dangers inherent in that legislative effort. Consequently, I would like to refer to the third report of the House of Commons Special Committee on Statutory Instruments, dated 1969, that is the MacGuigan's report which reads as follow:

> The more fundamental of the criticisms can be summarized as follows: the parliamentary tendency to enact statutes in skeleton form, leaving the "details" to be filled in by regulations—such regulations being often the very matters that are of most importance to the citizen; uncertainty in enabling statutes as to the extent of the area regulations are intended to cover; sweeping or subjective terms used in enabling acts which exclude the judicial control of the regulations made under their authority; lack of public debate, and inadequate consultation of all interested parties before the making of the regulations; lack of precision in the form and content of the regulations; inadequate publicity given to the regulations . . .

In other words, not much publicity. There may be some about legislation but when it comes to regulations nobody even hear about them. I continue to quote:

> . . . inadequate publicity given to the regulations after they are made; inadequate parliamentary control over the regulations; and the danger that civil servants may be transformed into our masters.

As a matter of fact, it is possible that the great activity of the government could have serious consequences and in saying this, I think of the fact that bureaucrats could one day direct the people they are supposed to serve.

Mr. Speaker, what is the percentage of regulations which are passed by high officials and which are sent to committee? In fact, I cannot answer that question now but I would be very surprised if there were many. In my humble opinion, the regulations are the servants of the laws and they should not receive more consideration than their masters. I sincerely think that the government must in the future submit to Parliament all the regulations drawn up by the bureaucrats so that the hon. members may get acquainted with them and debate them as openly as possible before they are enforced.

At present, the civil servants are rather more responsible for the government of our country than the representatives whose role is consequently less and less important. The civil servants have the opportunity and full discretion to draw up regulations which are often inconsistent with the spirit of the laws adopted by Parliament. Once again, I sincerely think that the present government must take all the necessary corrective measures so that members of Parliament will no longer suffer from the interference of civil servants, I mean the bureaucrats, and also to restore to them all the dignity they deserve.

Another point draws my attention, namely the various committees which are created. What is the real use of the hundreds of committees which are supposedly created to solve the various economic and social problems? Their only use is to spend the money of the people as a reward for the privileged classes of the present system. In fact, Mr. Speaker, it is unbelievable to see the slump in which all the classes of our society find themselves. For example, in Quebec, it is not by setting up all kinds of committees that the future of Quebecers is going to be decided, because if we consider one moment the seriousness of these committees, of the inquiries launched by governments, we note that it is only an orgy of spending, of useless redtape, a waste of human energy, and all these committees cost millions of dollars. And with what result? Those who pay the bill would like to know!

Now, Mr. Speaker, I would like to speak about the staggering increase in the number of civil servants in Canada in the last few years. Before World War, I, around the turn of the century, the Canadian government employed an army of 23,000 public servants or so who were responsible for the administration of our beautiful country. A few years later, during World War I, it could be noted readily that the number of public servants had doubled, which was understandable since the country was going through a national crisis, and insurrection. But, since that time, one realizes that the population of Canada has

more than trebled but beyond that, we can see as well that the strength of the public service, except perhaps—

● (2030)

[*English*]

The Acting Speaker (Mr. Turner): Order, please. I regret to inform the hon. member that his allotted time has expired. He may continue with unanimous consent. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

[*Translation*]

Mr. Allard: I want to thank my colleagues for granting me a few more minutes. I will try to be brief, Mr. Speaker.

I was saying that we note as well that the strength of the public service, except perhaps for Crown corporations, is made up of 300,000 people, that is an increase of 1200 per cent or so.

Mr. Speaker, surely it is during World War I that Canada has witnessed the fastest increase in this area—there were then approximately 46,000 public servants. Some time later, around the end of World War I, the number of public servants which was, as I have just said, about 46,000, had come down to about 40,000.

Thereafter, it has been noted that the strength of the public service remained constant until World War II. As soon as this one broke out in 1939, the number of public servants more than tripled, while continuing later on to show an upward trend.

But it must recognized, Mr. Speaker, that it is under the administration of former Prime Minister Lester B. Pearson, for whom I have always had a lot of respect, that the federal state in which we are living has taken the most new initiatives and that the growth of the public service as such has shown the highest rate.

Besides, it is easy to realize when we know that Canada has now at her service about 1,200,000 Canadian civil servants, that is one worker out of eight or 12 per cent of the labour force. How much does it cost the state in salaries and annual payments? Around $10 billion a year or almost 13 per cent of our gross national product. One can say therefore that government is the sector of the economy with the fastest growth. One cannot deny the fact that governments, whether at the municipal, provincial or federal level, is one of the most important tools in our country and is easily competing with the service sector, the manufacturing industries and so on.

When the right hon. Prime Minister came to power in 1968, the total number of civil servants was 50 per cent more than what it was in 1960. Then, in 1969, when the Trudeau government was fighting inflation, our Prime Minister promised the country to reduce the number of public servants by 24,000, or about 10 per cent. Once again, in its usual manner, the federal government broke its promise and after a whole year, it barely managed to eliminate 535 jobs, or one-fifth of its original objective. Later on, one could see that the public service had rapidly regained the lost ground.

Mr. Speaker, we are not in a state of national crisis and we wonder why the red tape is taking as much expansion as if we were in war time? According to University of Toronto Professor Richard Bird who had the opportunity to study these questions for the Canadian Association of Fiscal Studies, this constant race would be the consequence of pressures or of the tolerance of the public who demands more and more services from the government, influenced by politics or by officialdom. But does the Canadian taxpayer who demands more and more services from his government realize that he is thus putting himself in a position where he has to pay more taxes?

● (2040)

[*English*]

The Acting Speaker (Mr. Turner): The hon. member for Okanagan-Kootenay.

Mr. Howard Johnston (Okanagan-Kootenay): Thank you, Mr. Speaker.

[*Translation*]

Mr. Speaker, I am somewhat surprised at the subject chosen tonight by the Social Credit party of Canada. There was a time when the Social Credit Party of Canada would speak only on the monetary question. Perhaps this choice shows a new maturity, a new skill in the House or again perhaps a closer link with the Progressive Conservative party? I do not know.

[*English*]

Some hon. Members: Hear, hear!

Mr. Johnston: But I am a little surprised at the choice because it seems to me there were such excellent choices. I would have thought perhaps the Social Credit party might have chosen the common fund, for example, which is a monetary question and we could have had paraded before us this evening the unedifying spectacle of the Secretary of State for External Affairs (Mr. MacEachen) being dragged silently screaming, commodity by commodity, digging his heels at every commodity, into the common fund of the Third World, protesting all the time that that is what he really intended to do from the beginning. Or perhaps we could have had a resolution on the special drawing rights being discussed at the UNCTAD Conference at Nairobi and the special drawing rights in relation to the Third World because that, Mr. Speaker, is the closest thing to social credit the world has seen since Mr. Aberhart printed his own script in Alberta.

There are other areas that might have made a choice for the Social Credit party this evening. On the other hand, they have proposed this interesting motion that finds highly deplorable the attitude the government has demonstrated by taking advantage of its majority to draft many of its bills in such a way that different matters are dealt with in a single text. That I would submit, although unusual perhaps coming from that direction in the House, nevertheless is a problem for us all and one that deserves our attention this evening. I think the members of the Social Credit party have done us a service this evening by putting the finger on a problem which is not only a parliamentary problem but one which has widespread ramifications for the Canadian public.

I should like to mention, not bill by bill, a few of the topics which have been so-called omnibus bills. We had a

bill on abortion and I think the public saw it as that, but it contained a number of other things as well. After it was passed I think many citizens were surprised by some of the other things that were removed from the criminal law, or placed in it, through the passage of that omnibus bill.

More recently we had a bill which at the same time combined rape and bail. It had an interesting passage through the House. I do not think the two subjects were served equally by their inclusion in the same bill. I should like to refer to the bill on citizenship which was not really an omnibus bill although it presented some of the same problems, because while it removed sex discrimination it also reduced the waiting period for citizenship. I know some members who were opposed to the second of the two clauses in the bill were criticized for holding up some very worth-while legislation to remove sex discrimination which has been on imposition on women in this country for many years.

One of the most flagrant and the most recent is the bill known to the public as the gun control bill, but known to the Minister of Justice (Mr. Basford) as the bill on peace and security. While I do not wish to renew the debate on that bill which has been passed on to committee, nevertheless I might say that this relates to the subject of the motion. The problem that besets not only the House but the public is that the bill dealt with such disparate subjects as gun control, wiretapping, and dangerous offenders, all in the same omnibus bill.

There is a lack of clarity in the public's conception about what is happening in the House and what is before the House. I am quite sure that when the gun control bill is out of the way a good many people will wonder when if ever did parliament deal with wiretapping and dangerous offenders. There will be a sense that somehow those important parts of the omnibus bill did not receive the sort of treatment they should have, because one part absconded with all of the attention.

It is terribly important—and here again I think the Social Credit people have done us a service—that in the legislative process the public not see something as having been traded off for something else. Yet increasingly this is the perception. It is not a very flattering perception either of the government's ability to draw up legislation or of the way this Chamber should function. Never has the trade-off been so blatant as in Bill C-83. One would have a suspicion that the government, having tried omnibus bills a few years ago and finding that they work, has been using them increasingly until it has realized that it could get passed through this House something that would not normally pass this legislative body by combining it with enough other factors, with enough other issues. It would seem that the government realized that in this way it would be carried along because there would be a reluctance on the part of members to seem to oppose some rather worthwhile bits of legislation.

There is another thing I should like to mention as well, that is, the certainty that parliament has passed the unpopular part, that when one part receives too much attention then there is a losing sight of the fact that the other went through as well. One of the problems the Canadian public has at the present time is the sense that what is the law of the land did not seem to have been observed going through parliament, and yet was carried along in the wake of some popular items.

● (2050)

The real question always remains, do we really learn the will of parliament when it is confronted with four, five, or six highly different items in the same bill? Each of the items is defended by the government in committee, and although the government House leader talks about the opportunities which present themselves at the report stage to amend, I have found that by the time the government has shepherded its bill through second reading and through committee stage there is a fierce determination that no further change shall take place at the report stage. I think the government House leader is suggesting something really quite illusory, almost as much of an illusion as that which was presented to us a short time ago by the deputy House leader when he talked about television in a way which was irresponsible at worst and terribly funny at best, when we consider the role of that technological marvel in North America at the present time.

This situation is particularly abhorrent when the government has a majority. There may be some excuse for this practice during minority governments. Some of the legislation which was discussed was put through in minority situations, but if the government has a majority I think it has a responsibility to present legislation which is clear cut, to defend it, and to see that it moves through parliament. The responsibility then is where it should lie.

The government House leader said the government should take responsibility for its actions, and I say "Amen" to that. Of course it should, but if it were really accepting the responsibility it would separate some of these items and put them through on their own merits instead of putting them through with something else.

Let us consider, for example, the amendments to the Criminal Code which dealt with rape and bail. The hole in the Bail Reform Act was so appalling and the things which were happening as a result of people charged with murder obtaining bail, and of people charged with drug offences being able to go out on bail to continue their trade, were so appalling that there was a great need for a rapid movement of that legislation through parliament.

However, with regard to the section on rape I have a feeling it did not get the full and complete treatment it should have had, and having sat last weekend in Nanaimo and listened to some women's delegations there I know that they are not happy with the law on rape as it now stands. I think it is unfortunate that in order to plug one hole with a desperately needed amendment something else was moved through which will now remain on the books for quite a few years as rather bad law. This is one of the penalties the government and the country pay for this kind of preparation of bills.

No more clearly is this evidenced than in Bill C-83. I attended a meeting about a month and a half ago at Invermere, and the large public gathering there voted unanimously to urge that the Minister of Justice (Mr. Basford) separate the gun control sections from the rest of that bill. I passed that on to the Minister of Justice, and he replied saying that Bill C-83 as a whole is aimed at protecting the public against violent crime and that as legislators

we cannot present one bill for law abiding citizens and another bill for the criminally inclined. That was not at all the request at the public meeting to which I referred.

They asked clearly, as this party did through the efforts of the hon. member for Calgary North (Mr. Woolliams), that the gun control section simply be removed so that it would not be discussed along with wiretapping and dangerous offenders legislation, and so that parliament could deal with that one main issue free from the responsibility of the other two or more sections in that omnibus bill dragging along at the same time. We know from the furore those sections stirred up across the country that the public was very much in favour of having them separated. It does not matter what else happens to Bill C-83; it will always be known as the gun control bill. The words of the minister were particularly ironic because the bill does have something to do with law abiding citizens because they are being asked to bear an added load for the sake of the criminally inclined. Put together with Bill C-84, in a double back-to-back package, the situation becomes almost intolerable.

I think it would be better if the ministers would caution themselves and prepare pieces of legislation which are more specific. I feel that in the end it would shorten debate in this House rather than lengthen it. There are some bills—for example, the revision of the Bank Act—which will be before us in a year or so—which are enormous in themselves, and not much can be done about that, but it makes little sense to load up the legislative docket with maxi bills which contain so many clauses that many of them are almost lost sight of as they move through the House.

With regard to regulations, hon. members from the Social Credit party also have a point because too much is dealt with in this way. An example is Bill C-83. We members of parliament have to go out and talk to the public about such bills. We are asked how much it will cost, how often it will be applied, whether it will be varied according to the weapon, and what will be meant by due care in locking these things up. If we members of parliament over and over again have to say we don't know and that we will have to wait until the regulations come out, eventually this institution will begin to look a little ill informed generally, and we will again run into a problem which results from the approach to legislation which has been used far too much already and is being used too much in this parliament right now.

Examples of legislation which have to be separated are the redistribution bills and the Canada Elections Act. I am sure if this were not laid down by long practice and tradition, the government would have lumped the Canada Elections Act and the redistribution bills all together, along with several other items. If the government could have rounded this up in time, put it together and presented it all as one great mess to this parliament, it would have done so, but by the very nature of the redistribution bills and the process which has been traditionally used, this has to be dealt with province by province, and certainly that marvellously clarifies the debate on that rather far reaching move.

I think a service would have been done to parliament and to the country if several of the recent omnibus bills had been divided into their separate clauses and dealt with as individual bills, certainly none more so than Bill C-83. We know that it was only through the strongest protests from this side of the House that we did not get one single bill dealing with the abolition of capital punishment, the extension of prison sentences, gun control, wiretapping, and dangerous offenders. It was not planning on that side that sorted it out but only a fierce determination on this side that the abolition of capital punishment at least should go. Even then, it was sadly messed up, and as we debate it now on second reading we see the government was not prepared to put it as a central issue.

● (2100)

Again the government weakened and succumbed to the temptation to trade it off for the greatly lengthened prison sentences that are of concern to many serious thinking people in this country. Even there, Mr. Speaker, it was a clouding of what should have been a very simple, very straightforward bill on one topic and one topic only.

I congratulate the members of the Social Credit party—in a way they surprised me but did not displease me in presenting this motion to the House. This is a problem to which I hope the government will pay a little more attention. One thing is for sure, as long as this sort of general untidiness is presented to this House then televising the whole mess will not improve it in any way.

Some hon. Members: Hear, hear!

Mr. John M. Reid (Kenora-Rainy River): Mr. Speaker, I think this is an interesting resolution. It condemns the government in its majority position for producing bills that are not conducive to the understanding of hon. members.

The first thing we should do, if anybody is serious about this, is examine the bills produced in the last minority parliament and compare them with bills produced in this and the previous majority parliament. If we did we would find that the form of the bills and the content were not changed at all. Basically the same kinds of faults are found in bills produced in either a minority or majority situation. It seems to me, if you make the effort to look at the quality of the bills, it must be something deeper that causes bills to be written in such a way as to give rise to this motion and debate. I submit there are indeed a number of pressures at work which cause bills to be written in the way they are.

Without any difficulty at all I think one can identify at least five different kinds of bills. The first I would categorize as those which establish something new, something we did not have before. An example would be the creation of Petro-Canada or the Petroleum Administration Act. The first establishes a new institution and the other sets up the mechanism for an administrative tribunal.

The second kind are those which I would classify as amending acts. We have had a number of those in this parliament, perhaps the most prominent being the amendment to the Anti-Inflation Act. We have already passed a series of amendments to the Unemployment Insurance Act. These acts may touch on a number of points within the main act, some of which may be related and some of which may not be.

The third kind are those which provide new provisions within an already existing legislative framework. Perhaps the most prominent one in the last few years was the amendments to the Canada Elections Act, called the Election Expenses Act. In this case we grafted something totally new onto the framework of an existing act.

Lastly, we have what might be called omnibus bills. Perhaps the most flagrant examples of omnibus bills are those we get after each budget. These are the bills that deal with the amendments proposed by the Minister of Finance—the sales tax in one sequence, in a second bill all the amendments proposed to the Income Tax Act, and in a third bill a set of amendments to the Excise Tax Act. These are omnibus bills in the true sense because those amendments will touch on a variety of things and have almost nothing in common except that they are presented by the Minister of Finance as part of a budgetary package. So it is with the ideas behind the peace and security package. They present a series of ideas in a package framework for amending the Criminal Code and are designed to deal with certain problems.

One of the problems we have in the House of Commons is that all members of parliament want to be loved; we do not want to vote for anything that might be nasty or might not have the unanimous support of our constituents. We do not want to vote for those things that may be necessary to accomplish certain aims and so we find it extremely difficult to vote for packages, some parts of which we may agree with and some parts with which we may disagree.

The point is that in the imperfect world in which we live we often do not have that kind of choice. We have to take some of the imperfections along with the perfections, and the perfections that I might see in a particular bill are not necessarily going to be the same as any of my colleagues on either side of the House might see. Beauty is in the eye of the beholder. It is never that way so much as when one is contemplating legislative packages.

The point I want to make, Mr. Speaker, is that if you look at what is going on you will find that the government behaves in the same way in a minority situation as in a majority situation when it is drafting and presenting legislation. The main pieces of legislation fall within the five categories I have given, and there normally is something to tie them together.

The previous speaker complained about amendments to the Citizenship Act when he was prepared to vote, according to him, for the amendments within the act dealing with sex discrimination, but had certain reservations about that provision which reduced the length of time a person had to be in Canada in order to apply for citizenship. That is an amendment to one act which is part of a package series. It does not seem fitting to me that it would be necessary for the government to present two legislative sets of proposals to deal with a series of amendments to one act. Surely you have to take amendments to the act and look at them as a package, because you are dealing with an already existing package and are providing amendments to it.

The way our system operates, members have an opportunity to vote for or against individual components on two occasions, once in committee at clause by clause consideration, and in the House of Commons there is the opportunity at report stage to vote against specific clauses. There is also the possibility of doing something in limited fashion at third reading.

I think if one looks at these speeches tomorrow, judging from what I have heard today, one will find that the fundamental problem members have, which has elicited this complaint from members of the Social Credit party, is a dislike of the way in which the House of Commons utilizes its time.

As an example, opposition parties have 25 days on which they are allowed to dictate the business of the House. We have set it out in our Standing Orders so that five days are used in the first term, seven days in the second term, and the rest in the third term. That means that 13 opposition days are jammed into May and June. This is simply too much, and we do not use that time properly. We should revise our Standing Orders so that this time is used more evenly throughout the year.

Instead of ending up in a situation where we run out of ideas and start seeking things to talk about because we have too much time at a particular point in our procedural year, we should be revising our Standing Orders so as to spread opposition days on an equitable basis throughout the year. That would leave the opposition parties far more flexible, and it would leave the government far more subject to attack by the opposition parties. It would be much better for the health of parliament. That is an example of what we have done in our Standing Orders.

Let me look at bills, Mr. Speaker. If one looks at the way bills are handled in the House of Commons it is important to realize that, by and large it is the opposition parties which dictate how much time is spent on legislation. The function of the government in our system is to produce an agenda of work, or bills, on which the House is to decide. The job of the opposition is to determine how much time we shall spend discussing each piece of legislation and which portions of the legislative package it wishes to comment on and object to. That is only proper and right. Taking any piece of legislation and dividing it into 25 separate bills does not mean that this process will change. Members will still pick and choose the parts on which they wish to comment.

● (2110)

One of the most difficult decisions we must make in any reform of our procedures is to decide how long the House of Commons shall sit, and how much time we are prepared to spend in the House. As members of parliament we have duties other than sitting in the House. In the last eight to ten years the average session has lasted 180 sitting days. Do we want to sit more than 180 days, or less? How long do we wish to sit? Further, how much legislation is the government to be permitted to bring before the House? I am speaking of legislation in addition to work already allocated to us under the Standing Orders. The question is, should the government be allowed to bring in 70 pieces of legislation, 80, 100, 50 or 40? How can we decide how long the House should spend discussing each legislative proposal unless we first decide how much time is available? Only then can we decide how much time to spend on each item.

As an institution one of our big faults is that in allocating the time we spend on legislative proposals we do not distinguish between what is important and what is not

important. If you listed all legislative items on a priority scale running, say, from one to ten, you would find that we probably spend as much time discussing items low on the priority scale, say, occupying position No. 10, as we do on items high in priority scale, say, No. 1. This means that we are not really thinking about how we ought to operate this institution, and not thinking of how to get the best results for our time and effort.

Let me now deal with the point raised by the Créditiste speaker who preceded me concerning the question of regulations. This House, in Canada, produces legislation more detailed than that produced by any other legislative assembly in Canada. Anyone examining legislation passed by the provincial governments of Quebec, Ontario, Manitoba, Alberta, or any other province will find that such legislation is loosely defined, which means implementation at provincial level is a matter for the cabinet. Usually it is done by way of regulations. On the other hand legislation we pass is most detailed and, because it is detailed, much of it must be amended each year. We face this problem because the government, in order to bring such legislation up to date, must constantly change legislation previously passed by this House.

After all, society is not static. It changes. The focus of our concern changes. People move; economic conditions change, and legislation and the impact of legislation must also change. You can do this two ways. You can ask the cabinet to make the changes or you can bring the legislation back to the House of Commons for amendment. In our system we use both methods, probably on a 50-50 basis. That is why, as the hon. member preceding me said, we have established the Standing Joint Committee on Regulations and other Statutory Instruments. It tries to keep track of regulations and the statutory instruments which flow from the cabinet, to make sure they are compatible with the legislation on which they are based. The committee has a difficult job to do and is, I think, doing a fair job. It is difficult to say how successful it will be in the long run; at present we have to give it full marks for enthusiasm and effort. But our difficulties will not go away. We must amend existing legislation to make certain that the law reflects the changes taking place in Canadian society.

Considering the overcrowded agenda of business with which parliament must now deal, and the ever increasing demand for time to be spent on ever more legislative proposals, it becomes most difficult to justify putting more detail into our legislation. I argue that this process entails trade-offs. Members on all sides accept more regulations as the price for the privilege of playing around longer than necessary with legislation going through the House. We can sing to our heart's content about what is in the legislation and what is not, but if we take more time than is really necessary we are allowing the government more regulatory making powers. I feel this is a bad bargain.

I feel that the House should examine the agenda placed before it and put more pressure on the government to produce its legislative list. We should know far in advance what bills we are to discuss so that we can sit down together, as a group, and work out an appropriate timetable, then ensure it is covered by an order of the House so that we can all know what is to happen. Not only will we settle many of our difficulties in terms of length of debate but we shall all discover far in advance what is to happen in the House. At present, apart from opposition days and budget debates, there is no way of finding out what is to happen here on any given day.

We are given no document on a daily basis which tells us that some matter is to be taken up at three o'clock, five o'clock, or eight o'clock. We operate by guess and by gosh. This is not good enough for an institution as big and as complex as parliament. That ought to change. But we can only eliminate the problem when we decide finally to move into the twentieth century. We must deal with the problem of the parliamentary agenda, with how much time we are to spend discussing government legislation and how long speeches are to take, so that we can program our time in a way which makes sense to us and to the Canadian people.

I recall when the House of Commons sat one summer, shortly after I had been elected to this place. I was visiting my constituency and somebody asked me "Well, Reid, what are you doing? I guess you are enjoying your summer holiday?" I said, "Hell, no, the House of Commons is still sitting." He said, "Do you mean to say you guys are not smart enough to be able to take the summer off?" Mr. Speaker, we do not get any marks for staying here because we have wasted our time. That only indicates our own inefficiency.

Mr. Stevens: Then why is the government keeping us here?

Mr. Reid: When we hear people making comments about the House of Commons we wish they would not make, we must take a certain amount of responsibility. We are in the dark ages when it comes to deciding what we should do with our time, and how much time we should allocate to the consideration of all our business to make sure there is fair disposition.

My last point concerns the changes to which we should look forward in order to bring us up to date. It seems to me that our legislative style can change only if we move to the point at which all members of the House understand what the government's legislative load ought to be. That means that we would need to put certain restrictions on the government. We should try to determine how long in any given year the House of Commons should sit. That would put restrictions on us all. We should also decide how long individual members should speak on any given item, and the length of speeches could vary from item to item. One can see the foolishness of permitting 40 minute speeches on second reading and 20 minute speeches on opposition days. There is no logic to it. Perhaps we ought to limit speeches to 15 minutes; we ought to deal with that problem.

Mr. Paproski: Sit down, then.

Mr. Reid: We must also grapple with the difficulty of providing appropriate mechanisms for deciding how long we should spend on any particular item, and for ensuring that the opposition, whose duty it is to oppose legislative items brought down by the government, is satisfied that it is not being short-changed. This means that the opposition parties must act far more responsibly than they have in the past in allocating the time of the House and determining how that time is to be used. If the opposition parties are

unwilling to accept that responsibility, or unable to work out such a system, it seems to me we must provide for a "fail safe" mechanism.

Mr. Paproski: Just wait until you are in opposition.

Mr. Reid: Certain possibilities have been suggested to the procedural organization committee by one of its subcommittees. I recommend them to hon. members. They are not perfect; in some respects they are flawed. We would appreciate your comments, and particularly your support.

● (2120)

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I listened with a great deal of interest to the fine oration by the hon. member for Kenora-Rainy River (Mr. Reid). He talked about a topic that he thinks he knows, procedure in the House of Commons.

We hear government members speak on this topic, and members of the opposition parties. It is unfortunate that we never get a balanced argument. For example, the hon. member for Kenora-Rainy River referred to the fact that there are 25 opposition days, 5 in the first semester, seven in the second, and so on. He neglected to explain that in 1969 a majority Liberal government introduced those proposals and forced them on this House of Commons by closure. Now he is trying to say that the House did all this in a very nice way. That is not quite the fact. If he had explained further and given the proper perspective, there would have been more truth.

The hon. member also stated that the opposition sets the timetable. Although I was not a member of this House in 1969, I recall reading in the papers that the Prime Minister (Mr. Trudeau) said that the government was going to introduce all bills at the beginning of the session so that the opposition would have an opportunity to examine them. That has never happened. The Prime Minister does not force his cabinet to do that.

With regard to bills that are to be dealt with before we adjourn for the summer recess, a week or so ago there was talk about two bills which the government desperately wants passed, but which members of the House have not even seen yet. If it so desperately wants them through, it should table them. In fact all bills should be tabled at the time of the Speech from the Throne, unless there is a genuine emergency. That would be a rare occasion, and a rare bill.

The hon. member for Kenora-Rainy River tried to put the onus on the opposition. He did not mention that in 1972 there was an election. To a large extent that revolved around unemployment insurance. The government remained in power with 109 seats and the major opposition with 107. Even though the election was on October 31, the government did not convene the House until mid-January. What happened to November and December? I guess there was no urgency.

There was another election on July 8, 1974. The government always talks about its timetable and how it wants to get things done. However the House did not sit for the remainder of July, August or September. In fact it did not sit until October. We could at least have associated ourselves with school boys and girls and commenced at the beginning of September. The government must bear certain responsibilities which it does not bear at the present time.

One of the great concerns of the opposition is that the government uses railroad tactics to get legislation through the House. An example is the *Time* and *Reader's Digest* bill. The committee was frustrated. The committees do not work in the way they were intended. Concerns must be expressed on the floor of the House of Commons.

There were a number of government members on the committee which considered the *Time* and *Reader's Digest* bill. Some had been on that committee for two years. In fact one had been the chairman. The government removed them from that committee because they were going to oppose the bill.

Mr. MacFarlane: Mr. Speaker, I rise on a point of order. The hon. member has mentioned an area over which I have some responsibility in the committee. No one was replaced on that committee unless they were absent at that time.

Mr. Dick: Mr. Speaker, I do not know what the point of order is there. The hon. member should take his turn to speak on this matter. The fact is that there were Liberal backbenchers who complained because they were hoisted off that committee. One rose in the House of Commons on a question of privilege. That is funny. Members change on that committee. Everyone knows, including the hon. member for Hamilton Mountain (Mr. MacFarlane), that the memberships change back and forth on that committee. However, if a member is absent one day that does mean that member is kicked off for good, and that happened.

Mr. MacFarlane: On a point of order—

Mr. Deputy Speaker: I will recognize the hon. member who is seeking the floor on a point of order. However, I hope it is not the same point, which is not in fact a point of order. It is an opinion that the hon. member can express later. If he disagrees with the hon. member, all he has to do is seek the floor and express his own opinion in due time.

Mr. MacFarlane: The hon. member referred to the hon. member for Hamilton Mountain saying that he would know that another member stood up in the House. It is not true I would know that. That member was never on the committee. Therefore he could not have been taken off that committee.

Mr. Dick: The hon. member has just pointed out something, Mr. Speaker. I did not say he would know much. From the comment he just made, it is obvious that he does not know much.

I do not want to spend my entire 20 minutes on matters raised by the hon. member for Kenora-Rainy River. I just want to put his comments into the proper perspective to show that the government bears a certain responsibility, including the fact that when the government wants to railroad something through it will hoist members off a committee who might be opposed so that a bill will go through sweetly.

Governments in general, and this government in particular, like to run the country by means of orders in council,

regulations, directives, and so on. Ministers try to get rid of the burden of being in the House where they must answer to members from all parts of the country. They would rather the bureaucrats run everything with some tangible or some intangible control, depending on how effective a cabinet minister might be. In the area of awarding contracts, they make sure that the right person receives them. This puts the cabinet in a more powerful position and keeps members of the House away from issues of concern. This is a substantial weakness in our democratic process.

Over the years governments have tended to use regulations, orders in council, and a number of other procedures to get around passing substantive law, or amendments to substantive law. It would be preferable for the government of the day to introduce short bills, possibly housekeeping bills. If necessary there could be a time limit such as that in Great Britain. However, a bill should be brief and deal with only one topic.

● (2130)

Making regulations or orders in council and having them published in the Canada *Gazette* is not a good way of reaching decisions which affect thousands of Canadians. Most Canadians do not see the Canada *Gazette*—they would probably be bored to tears after reading the first page of it if they did. These are not laws or guides for conduct which have been passed after discussion in the public forums such as the House of Commons. Regulations and orders in council are passed after private discussion in cabinet committee or in the cabinet as a whole. The public ends up not knowing about them.

I am particularly pleased that the Social Credit Party should have introduced this topic. It is a most worth-while subject of discussion because it goes to the core of our democratic system. The resolution expresses concern on two grounds, the first being that the government introduces omnibus bills. The second is that too much power is exercised by means of regulations and orders in council. With regard to the second point, which relates to an extremely debatable area affecting not only members of parliament but all the people of Canada, may I remind the House that in 1972 there was an election and that the government just about lost its right to sit on the treasury benches. One of the key issues in that election was the unemployment insurance fund.

Back in June 1973 the government announced its intention of introducing two bills on unemployment insurance. The first was to provide some $800 million to cover a deficit which had been hidden during the election campaign because the party opposite did not wish to explain that they had been dipping into the till to cover runaway costs. The second was Bill C-125 which would have had the effect of cutting out many of the misuses of the scheme. In a speech on television in the Kitchener area on February 3, 1973, the Prime Minister (Mr. Trudeau) indicated that Bill C-125 would be introduced into the House within a few weeks.

Mr. Knowles (Winnipeg North Centre): It was Bill C-25.

Mr. Dick: I am sorry. Bill C-25. I am corrected by the hon. member for Winnipeg North Centre (Mr. Knowles). On February 27 I asked the then president of the privy council when this bill would be introduced. He said it would be very soon. On October 22 of that year, some eight months later, I asked the President of the Privy Council again when the government proposed to bring in that bill for debate. On that occasion the minister said he was trying to find some time in which to do so. Remember he had only had seven months or more, and this was a key issue in the election. What did they try to do?

I represent a constituency where unemployment happens to be running around 22 per cent in one community. Generally the unemployment rate is about 10 or 12 per cent. The main centres are only 40 miles or so from Ottawa and they happen to be on the Ontario side. People do not realize that there happens to be unemployment and considerable poverty in the Ottawa Valley. Mr. Speaker, the government tried to hold back that bill because it was afraid it would not get the support of the NDP to which it was wedded at the time—it was a minority government. What did it do? It then tried to change the regulations and alter the directives by order in council so that it could achieve the desired result without legislation. It did a lot of tinkering, but it could not come up with a satisfactory solution in the absence of legislation.

Then there was the election of 1974. Last year, in 1975, it introduced an unemployment insurance bill which, among other things, to the discredit of the government disqualified people aged 65 and over. It tinkered again with a number of areas, but at least this was substantive legislation. Now, in this budget delivered some three years and four months after it had promised to take action, the government has stated its intention to do something about misuse of the unemployment insurance system and the rip-offs which it is alleged are taking place.

I should like to ask whether the people of Canada know what is happening under the regulations which govern this scheme. For example, do they know that under the regulations they can find something like this—regulations pertaining to assistance to displaced workers in the textile and clothing industry. I would refer to one regulation which was passed in 1974. Its effect was that in certain areas where the textile industry had gone into depression any person who had worked for 15 years in a factory and who was between the ages of 54 and 75 could end up with a pension from the unemployment insurance fund for life. How many Canadians know there is a pension fund in there? This was made possible by regulation, not by legislation.

How many Canadians know there are regulations which give special status to certain individuals? About 9 per cent of the workers of this country belong to unions which have hiring hall agreements. These agreements fall into two categories as far as the Unemployment Insurance Commission is concerned. There are some who will not co-operate with the Commission, and the people who use those hiring halls are allowed to draw unemployment insurance benefits for up to 16 weeks without having to complete a job search form or take an interview. Then there are a privileged few who go to hiring halls and who are not obliged to search for a job in a different type of employment because work cannot be found for them in the industry to which they belong. They can go on unemployment insurance for

52 weeks, stay at home drinking beer and watching television, and never even ask for a job anywhere, because there are union hiring hall regulations.

This practice discriminates against the remaining 92 per cent of the people in the work force. If they go on unemployment insurance they have to hustle around and prove to the commission that they have been out looking for work. If they cannot provide a job search form, or if they do not undertake to travel 30 or 40 miles in the event they get a job, they are disqualified from benefit. But the union hiring hall people have special status under the regulations. This decision was not made openly in parliament; it was a nice little thing done by regulation.

Finally, Mr. Speaker, I should like to say something about omnibus bills. Take the bill we have before us now called the peace and security bill, Bill C-83, which deals with firearms and offensive weapons among other things. I hope I shall be able to support that part of the measure if it were amended properly and intelligently.

Another subject dealt with in it is invasion of privacy—I objected to the form in which it was introduced and I see that further amendments have been introduced. Another topic dealt with is dangerous offenders. Then we come to special crime inquiries, a section which the government has now decided to wipe out. We find a fifth item in there having to do with the customs tariff. We also see the Parole Act, the Penitentiaries Act, and the Prisons and Reformatories Act amended. As it is, there happen to be about five of the minor items that I want to vote for and four I do not want to vote for, yet I am stuck with an omnibus bill that covers such topics as the customs tariff and special crime inquiries. I say that is wrong.

● (2140)

Lastly, I would point out that the government is proposing to insert an additional 24 clauses or subclauses into Bill C-83 under which it can delegate power to 13 different persons in the country to regulate firearms. Presently there are only three clauses. If the government gets its amendments through, there will be some 27 clauses granting regulatory authority under the Criminal Code. That is bad law. The Criminal Code should be clear and distinct, be in one book, and should not depend on the governor in council passing orders in council, or on the Minister of Justice granting regulatory authority, or the commissioner of the RCMP and the lieutenant-governors of the ten provinces. In this way we end up with a balkanized Criminal Code in this country. I object to the government's introducing this kind of regulatory authority and discretionary power into the Criminal Code; this is the wrong approach.

I could go on to other topics, Mr. Speaker, but I see that my time has now expired.

[*Translation*]

The Acting Speaker (Mr. Turner): The hon. member for Maisonneuve-Rosemont.

Mr. Claude-André Lachance (Lafontaine-Rosemont): Lafontaine-Rosemont, Mr. Speaker.

Mr. Speaker, the hon. member for Grenville-Carleton (Mr. Baker) charged yesterday that the Liberal backbenchers were not speaking often enough to state their views regularly. I merely wish to point out that it is the third time I have risen in two days to state my views on issues before the House.

Indeed I feel that the motion under consideration today can be considered as an extension of the matter raised yesterday during private members' hour when we had the opportunity to resume the debate on the motion of the member for Rocky Mountain (Mr. Clark) who is now leader of the opposition and who asked us to set up a committee which would examine the privileges of the Prime Minister's office with respect to its ability to control and supervise the House of Commons. I think it is an extension because we now realize that the House should really take a closer look at several mechanisms which have steered its operations for over a hundred years.

There has been a sudden awareness in the 20th century: perhaps the methods which were adequate in the past will no longer have rationale in the future. The tools we had to deal with the problem were good until very recently, but they will have no more use to serve in this capacity in the years to come, with the acceleration of life and the new values of society.

Why am I speaking in this manner on a motion which on the whole is expressed in rather specific terms, in spite of the rather woolly ideas it contains? Quite simply because opposition days evidently serve to discuss supplies; members thereby have the opportunity to indulge in reflections on their role and examine a little every topic which is of concern to them.

There are two points I want to go back to in the speech I delivered yesterday in the House of Commons, a speech which was precisely questioning some of the principles taken for granted by this House. Those two points are of course the House procedure which is deficient in my opinion, and the information available to members to carry out their business.

First of all, let us talk about information. It is commonplace to say that members of Parliament, although flooded, overwhelmed with various information, seldom have the means to make an exhaustive and in-depth study of the legislation they are asked to discuss and check. And it is precisely that lack of information which often results in situation like those we see in committee, where members ask for additional hours or days to have the opportunity to study the bills or receive the advice of independent experts. I do not want to deal at too great length with that problem of information, Mr. Speaker, but I think it would be advisable for the House, once and for all, to seriously consider giving members of Parliament access to adequate expertise, so that they may fulfil their duties as legislators, do what they were elected to do, that is to review and judge legislation with full knowledge.

The second problem is, of course, that of procedure. The hon. member for Kenora-Rainy River (Mr. Reid) mentioned it and of course the Committee on Procedure and Organization is now in the process of looking into it. It may be that the House will know some changes, that the procedure will become more flexible, especially in view of the ever-growing load of legislation that comes before us, in view also of the restrictions now imposed upon us, in particular with regard to the very long hours we have to

put in. It is now 9.50 and the House is still sitting while most Canadians are at home. To my mind, the procedure in this House must be looked into, and I trust all parties will prove their good will in this. That good will of course does exist to some extent but it must be even greater if we want to bring the House to change in ways that are absolutely necessary at this time. That is how I wanted to tie in the speech I made yesterday.

But with regard to the motion on the order paper, it really surprised me precisely because opposition days are so few that I was amazed to see the Social Credit Party of Canada move a motion in such general terms which, as I said earlier in my remarks, in fact is somewhat woolly. This brings up a problem, if there is in fact a problem, which has always existed in the House of Commons, problem which, as pointed out by one of the previous speakers, is neither new nor exclusive to this government. Even as early as between 1972 and 1974, the omnibus bill existed, or it was called thus; similarly the existence of regulations is far from new. Indeed, the Committee on Regulations and Other Statutory Instruments was not created yesterday, nor have regulations, as such, shown up recently in our statutes.

● (2150)

In fact, the purpose of these regulatory powers is to give a greater administrative latitude to the executive, which is necessary and which has been recognized by many countries. Hon. members are probably aware that in France, for example, the National Assembly legislates only in extremely general matters and leaves it to the executive to implement the general principles so that the regulatory power is excessively wider than the power our executive enjoys in some circumstances only, when it is expressly provided in the statutory instruments.

Thus, this regulatory power is not a problem as such except that the statutory instruments in question ought to be reviewed periodically in the House of Commons and this is the role the Committee on Statutory Instruments gave itself or which has been attributed to it and I think it does an excellent job. I had the privilege to be a member of this committee for a certain time, and I must say that its members have an expertise I want to praise here.

The second point is that of omnibus bills. And since I want to extend to my colleagues of the Social Credit Party the courtesy of concluding the debate, I shall end my intervention on that. I merely wanted to emphasize that the omnibus bills involved should have been defined. What is an omnibus bill? Every member has his own perception of the word or term. I made a quick calculation of bills that I could call omnibus bills. As everyone knows, we now have 89 or 90 Commons bills besides the 30 or 35 from the Senate which have been considered by the House, and I found five bills that can be called omnibus bills.

I shall take only one as an example. My predecessor referred to Bill C-83. It is an example that is perhaps a little particular, because it is now before the House and has been the subject of a second reading motion to divide it into two parts.

But as an example I shall cite Bill C-16 which was, as we recall, and I quote:

Legislation

An Act to amend certain statutes to provide equality of status thereunder for male and female persons.

That was the famous International Women's Year, as it was called. This bill amended 11 Acts. And I shall simply ask my Social Credit colleagues if they would have preferred to see 11 bills put forward in the House to amend the Canada Elections Act, the Criminal Code, the Immigration Act, the Public Service Employment Act, the Pension Act, the Civilian War Pensions and Allowances Act, the National Defence Act, the Unemployment Insurance Act, 1971, the Canada Labour Code, the War Veterans Allowance Act, that is altogether 11 acts which were amended simply to provide equality for male and female persons, the objective being specifically equality of status. Was it not really an omnibus bill? I ask the question. As far as I am concerned, it was a bill with only one purpose: to amend eleven acts. Therefore, technically it is an omnibus bill, but practically, is it really necessary to have or study eleven bills to change one legislation?

May I give other examples: the famous Bill C-44, on members' salaries amends four acts. Bill C-52 amends about ten acts, such as the Public Service Superannuation Act, the Canadian Forces Superannuation Act and so forth, a bill on which my hon. colleague for Winnipeg North Centre (Mr. Knowles) spoke on many occasions. Then there is Bill C-87, and Act to amend or repeal certain statutes to enable restraint of government expenditures, and which also amends five or six Parliament acts.

Mr. Speaker, in conclusion I would simply say that there is room here for interpretation, and I do not think we are justified in criticizing the government for all evils, to criticize it especially for introducing omnibus bills, while this has been a practice in effect for a long time and which we did not initiate; on the contrary, I find it very useful.

Mr. Armand Caouette (Villeneuve): Mr. Speaker, it is a great pleasure for me to take part in tonight's debate, although it is quite late. Before making my comments, I would like to congratulate and thank my colleague the hon. member for Shefford (Mr. Rondeau) for having put forward the motion now before us on the opposition day alloted to the Social Credit Party of Canada under the Standing Orders of the House.

I think that the motion of the hon. member for Shefford deserves the attention of all hon. members who sit here in the House of Commons. We were elected to represent our fellow citizens and to pass legislation governing all Canadians.

That responsibility, Mr. Speaker, is very great, and I believe that all members are aware of the consequences of decisions taken here. Each and everyone of our fellow citizens has to obey the laws voted by Parliament. The basic principle of the parliamentary system can be sumed up in one sentence: Parliament is sovereign.

This means that Parliament can vote laws, and does vote the laws it wants. Parliament is subject to no outside authority except for the will of the people expressed at election time. It has been said by parliamentarians, to describe that reality of a sovereign Parliament, that Parliament can do anything except change a man into a woman. This means of course, Mr. Speaker, that Parliament can do

anything it wants, except for what is physically impossible.

Mr. Speaker, as it is getting late and my time is limited, I would like to give some specific examples of what we put forth by presenting this motion today. We only have to look at the Unemployment Insurance Act. Mr. Speaker, this act was published as a separate volume in 1974. As we all know, several sections of this act allow the Unemployment Insurance Commission to make regulations. If we look at this act as published in 1974, we see that the act itself extends over only 67 pages, while the text of the regulations covers double that amount of pages, or 140.

If we continue in this direction, we shall come to a situation where Parliament will approve legislation containing generally a page or two, and then an agency made up of public servants will prepare under the form of regulations hundreds of provisions which will modify the form, the spirit and the scope of the original legislation.

Mr. Speaker, there is another example that I would like to give, even if several members here tonight perhaps found the motion of the hon. member for Shefford (Mr. Rondeau) ridiculous, that is an act that was passed in Parliament and to which 90 to 95 per cent of all members, including Liberals, Conservatives, New Democrats and Social Crediters, were strongly opposed, the Electoral Boundaries Readjustment Act, when we, the Parliament, had given a commission full power to redistribute the ridings. Several members, including myself, had to drive distances of 500 miles to represent about 60,000 people.

This commission has now submitted a project which, for myself, gives me about 800 miles to drive in my riding to serve a population of about 88,000 people. However, an exception has been made concerning part of the constituency which was not included in the 1971 census, but the people of this area would like a representative who can serve them. I believe that all hon. members will agree that the spirit of the legislation that we passed was very "grand", and that it is not only Parliament which will suffer, but especially constituents who will have to choose a representative in the next election.

Mr. Speaker, another issue has created a lot of controversy among the population. It is Bill C-83 now before the Standing Committee on Justice and Legal Affairs.

● (2200)

Once again, Mr. Speaker, in this same bill, the government—

Mr. Deputy Speaker: Order, please. Unfortunately, I have to interrupt the hon. member.

It being ten o'clock, it is my duty to inform the House that pursuant to the provisions of Standing Order 58(11), proceedings on the motion have expired.

[Mr. Caouette (Villeneuve).]

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

TRANSPORT—RATIONALIZATION OF TRANSPORT POLICY WITH OTHER PROGRAMS FOR THE ATLANTIC REGION—CONSULTATION WITH PROVINCES

Mr. David MacDonald (Egmont): Thank you, Mr. Speaker.

Some hon. Members: Hear, hear!

Mr. MacDonald (Egmont): I am grateful for the support. Obviously members realize the importance of the question that was raised last Thursday and that I wish to raise at a little greater length this evening, having to do with co-ordination of transportation policy and the sensitivity of the government at the present time to the situation in respect of transportation problems in the Atlantic provinces.

This is not new information, I assume, either to the minister or his parliamentary secretary who will be responding this evening. However, I would be less than frank if I did not say the comments last week by the Council of Maritime Premiers, and the appearance of the P.E.I. minister of tourism at one of our standing committees in Ottawa on Tuesday, gave a real indication of the depth of anxiety and, perhaps, the extent of neglect that currently exists in respect of those transportation problems in the Atlantic region.

First of all, I wish to elaborate slightly on the question I put last Thursday. I wish to place on the record some quotes from the communiqué from the most recent meeting of the Council of Maritime Premiers. Incidentally it was the fifth anniversary of the Maritime Premiers' Council, which is a most valuable body in terms of effective policies and programs for the three maritime provinces. In their communiqué the premiers said they were requesting an early meeting with the federal Minister of Transport (Mr. Lang). The communiqué stated:

> The premiers re-affirmed their position that transportation systems should be used by governments as positive tools for the attainment of national and regional objectives . . . They stated that despite the federal government's agreement with their position, there is an alarming lack of hard evidence that transportation is, in fact, being used as a positive development tool. Indeed, there are examples of just the opposite . . . The premiers expressed concern that the federal government is increasing cost recovery within some transportation systems without considering the effects of this on the over-all economy.

Later on in the communiqué we find this:

> The premiers expressed disappointment that a revised intra-regional freight assistance program advanced by the Atlantic provinces to the federal government in February of this year had not as yet received an official response . . .
>
> The premiers expressed disappointment in the federal budgetary restraint program as it applies to transportation expenditures.

Members will recall that the hon. member for Halifax (Mr. Stanfield) then asked a question in terms of this particular part of the communiqué. The premiers

took issue with the discriminatory nature of the transportation sector of the announced program, noting that of a total reduction of $41.2 for the whole of Canada, $21.9 million or 53 per cent would affect Atlantic region transportation programs exclusively.

If we just think for a moment, this means that in fact over half the reduction in expenditures directly affected Atlantic transportation where we have somewhat less than 10 per cent of the population. Considering the frequent occasions on which the federal government has paid lip service to the idea of co-ordinating transportation policy with its regional development program, this seems at the least to be shortsighted and perhaps even somewhat disastrous.

The premiers concluded their statement with these words:

In view of the present economic situation in the Atlantic provinces and the effect which transportation has upon it, the announced allocations of transportation expenditure reductions was deemed to be inconsistent with programs designed to correct regional disparity.

That was on Wednesday last week. The previous day when the P.E.I. minister of tourism appeared before our Standing Committee on regional Development he said a number of things having to do with the difficulties he had encountered in co-ordinating federal-provincial policy in the area he administers, but in referring to the over-all problem of co-ordination of federal-provincial programs he said:

We could spend the complete afternoon discussing these in details, but I will simply say that there is not much evidence of co-ordination policy-making between federal entities such as the Ministry of Transport, the Canadian Transport Commission, the Canadian National Railways, Air Canada and Parks Canada, just to name a few.

I will not restate the question I put the other day, but all of this seems to fly in the face of what the federal government has announced for some years as its prime intention. I wish to bring to the attention of hon. members a paper presented in November by Mr. H. Ropertz, a member of the transport policy task force on the matter of inter-governmental co-operation in transportation policy. I shall quote two or three things from that document because it is an indication of the commitment at the official level in respect of dealing with the transportation problem in some sort of rational and sensible way.

He said there is, and I quote:

. . . a growing realization on the part of the federal government for the need to consult and not take unilateral action, even though jurisdiction at times is federal.

He went on to speak about a specific federal-provincial committee, known as the Federal-Provincial Committee on Atlantic Region Transportation, which was organized as far back as 1969. That is an important date because it followed the passage of the Atlantic Region Freight Assistance Act, the establishment of a new national transportation policy, and perhaps more important, the establishment of the Department of Regional Economic Expansion. The committee has been composed of senior federal and provincial government officials from the Ministry of Transport, the Department of Regional Economic Expansion, and from the provinces of New Brunwick, Nova Scotia, and Prince Edward island.

He went on to say that although the committee was mainly concerned with transportation problems as they affect their specific regions—and he was speaking, in effect, about three similar committees—one of the most significant aspects of the terms of reference of each of these committees is that they are working toward economic or regional goals and objectives. He also said that the idea that the Minister of Transport (Mr. Lang) would sit down at least two or three times a year with each individual member to go over progress and tackle pressing problems was envisaged.

If there has been anything useful raised in this latest series of questions, it may be the frank admission by the Minister of Transport that he was somewhat surprised that the premiers should be unaware of the steps which are being taken by the federal government to co-ordinate transportation policy with the provinces in the Maritime region, and perhaps adding to that surprise there may be additional encouraging information from the parliamentary secretary about this problem this evening.

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I always enjoy an opportunity to respond at this point during our proceedings to my friend, the hon. member for Egmont (Mr. MacDonald), and I hope I can satisfy some of his concerns this evening.

Tonight, and on previous occasions, in at least a part of his argument he has suggested that the Government of Canada has disregarded a request by the Council of Maritime Premiers concerning the intra-regional freight assistance program. Rather than a disregard in this area, or in any of the other areas which have been touched upon by the hon. member this evening, there has been careful consideration of the position including, in the particular case of the freight assistance program, a possible position which had been generally agreed upon at one point between the Atlantic ministers of transport and the federal Minister of Transport with regard to freight subsidies.

In that connection the original idea involved a $5 million cut at one point in the subsidy and, as I have said, there was agreement on this point from the Atlantic ministers. Our combined hope was that the smaller amount of money thereby available would in fact obtain more positive results over-all. After further reflection on this point at both levels of government, and some assessment of the technical challenges involved in that original suggestion, it has now been concluded that the desired beneficial impact of the arrangement is not likely to be attained in the time frame available, and action on the whole matter has therefore been postponed to allow for further analysis and genuine discussion between the two levels of government involved.

There is certainly no need for the kind of anxiety which has been expressed this evening and on other occasions in the House. There has been every assurance that the Government of Canada is taking regional problems—in this case in the Atlantic region—very much into consideration. This has been made patently clear during the course of a series of very frequent meetings at the officials' level and certainly also at meetings involving the ministers as well. We have an ongoing and regular system of meetings in place and under way. This will continue in the hope that during the course of the summer, in relation particularly to the intra-regional freight assistance program, an appropriate program can be worked out to the satisfaction of all involved.

Adjournment Debate

● (2210)

FRESHWATER FISH MARKETING CORPORATION—PROPOSAL TO GRANT EXPORT LICENCE TO SELL FISH OUTSIDE CORPORATION—REQUEST FOR ANALYSIS OF PROCESSING COSTS

Mr. Dean Whiteway (Selkirk): Mr. Speaker, where is the minister? Where is the Minister of State for Fisheries (Mr. LeBlanc)? Does he dare send only a messenger? Sir, that characterizes the attitude of this minister with reference to inland fisheries since he has taken on the portfolio of minister of state. Not only are the fishermen in this country intimidated by having something less than a full ministry but the minister has refused to stand squarely in his place in the House of Commons and articulate his policy on inland fisheries.

I tell you, Sir, I give him full marks for going around the country and the world and signing agreements with all nations, but when there is trouble on the home front he ought to face it. On this very day the minister stood in his place opposite and challenged me to stand and give my position with reference to inland fisheries. Here I am, Mr. Speaker, and I want to know where he is.

Mr. Hnatyshyn: He is with the Minister of Supply and Services (Mr. Goyer).

Mr. Whiteway: No doubt. Mr. Speaker, I want there to be no mistake and no misjudgement. I do not want the parliamentary secretary to be in any way in the dark as to where I stand on this matter. The minister ought to look at the historic facts and their relationship to inland fisheries. The agreement—and I have it here tonight—signed on June 4, 1969, between the Government of Canada and the government of the province of Manitoba, in section 2(2) reads as follows:

> The amount payable by the province pursuant to subsection (1) shall not exceed the sum of 25 per cent of $100,000.

That was the original amount of money—of capital investment by the federal and provincial governments to set up the inland fisheries known as the Freshwater Fish Marketing Corporation by the Freshwater Fish Marketing Act of 1969. That has grown from $100,000 to $5½ million. At the time of the inception of the corporation it was signed by a minister of the Progressive Conservative party, the Hon. Harry Enns who originated the concept of a single marketing agency for orderly marketing. That was what the fishermen expected and that was the intention of the Freshwater Fish Marketing Act, but this government along with its counterpart in the province of Manitoba, Premier Schreyer, and on June 25 twisted the act, invested $5½ million, and decided not only to go into orderly marketing or a single desk marketing agency but also to get into the processing business.

Neither in this House nor outside have I quarrelled with the concept of orderly marketing. What I have quarrelled with, and upon occasion have asked the minister to justify, is the existence of a corporation in respect to the processing. This is fishermen's money, not tax money. The minister was dead wrong this afternoon when he suggested tax money was involved. I will tell you why there is federal tax money and provincial tax money involved; it is because this government—perhaps not this minister—set up and

[Mr. Goodale.]

spent $3½ million. I want to know who authorized that because the agreement was for $100,000. They blew it, Mr. Speaker. They could not administer it, and caused the corporation to lose $2 million in one year. The only reason federal tax money was involved was because they had to pick up what was their fault—not the fault of the fishermen.

I want to know who authorized the additional $2 million over and above the $3½ million that was never authorized. I want the minister to answer that. I do not want his parliamentary secretary to stand up and give me some song and dance about how great the corporation is and how great the concept is, because it was my party that originated the concept. What I want the parliamentary secretary and the minister to answer is who authorized the $5½ million. Who authorized the additional expenditure? I want them to agree to ask the corporation to open its books and do an audit—not the kind of namsy audit that the government is familiar with, but to answer the questions of the fishermen. This is fishermen's money and they have a right to know.

The minister claims to be the great knight in shining armour who fights the dragons that would gobble up the fishermen and their profits, yet refuses to give the kind of information that it is only reasonable to expect from such a corporation.

The fishermen want to know by species what it costs per pound to process the fish. Surely that is the right of people whose money is being used by this corporation. We are not asking for anything to be changed until we know the facts. If the minister who is in charge of the inland fishery as well as the offshore fishery refuses to provide that kind of information to the fishermen, he will be acting irresponsibly. I ask the parliamentary secretary, when he speaks on behalf of the minister, to answer this question: will he or will he not cause an audit to be undertaken so that, at the very least, the fishermen will know what they must pay to process their fish, and how those costs compare with those entailed in the orderly marketing concept?

An hon. Member: This whole subject is very smelly!

Mr. George Baker (Parliamentary Secretary to Minister of Fisheries): Mr. Speaker, I can inform the hon. member that the corporation intends to provide the fishermen with a newsletter containing the information requested concerning production and marketing, information to which the hon. member referred.

It ought to be kept in mind that the corporation is not run by the minister in charge of fisheries. It is not run by any one group on individuals. The hon. gentleman has just criticized the people who provide an input into the corporation, all the provinces and the authorities concerned in the Northwest Territories, and the advisory committee of fishermen.

On several occasions during several question periods the hon. member went far to point out the problems he has encountered in connection with one particular group of fishermen who are within a relatively small, confined area. But there are other problems relating to fishermen in Saskatchewan. Those problems loom so large that the province to date refuses to contribute toward the deficit of the corporation, something which no doubt the hon. member

knows. There are problems throughout Manitoba concerning transport costs. On each side of the hon. member each province was contributing to transport costs, but the hon. member's province was not. There are also great problems in northern Manitoba.

Mr. Whiteway: Why does the parliamentary secretary not deal with my question?

Mr. Baker (Gander-Twillingate): There are also problems connected with marketing and production. The hon. gentleman talked about an offer which was made in Motley. Mr. Speaker, the corporation thanks the hon. member for the information and says it will investigate the particular offer. That, essentially, is what the hon. gentleman requested.

Essentially the corporation as it exists today enjoys the support of all the provinces concerned, as well as of the fishermen concerned who act through the advisory committee. It certainly has the support of every single fisherman who was fishing before the corporation was set up when there were great rip-offs involving distributors, collectors, and buyers in certain parts of Canada and the United States.

It is important to remember that the corporation cannot exist if its efforts are splintered here, there, and everywhere. The minister responsible for fisheries and the present management of the corporation, which is perhaps one of the best management groups ever to have been in charge of the corporation, are working consistently with all provinces concerned and the Northwest Territories to work out the best possible deal.

If the hon. gentleman were to ask fishermen in the general area covered by the corporation if they are generally happy with prices, I believe the answer would be yes, despite the existence of problems. There are problems concerning provinces which have production plants which produce final products. Some provinces do not have such plants. Therefore adjustments must be made, within the accepted criteria. But it would be irresponsible of the hon. gentleman to suggest that the corporation should be disbanded because of the complaints of a small group of fishermen, I believe 21 fishermen of a total of 300 in the Lake Winnipeg area.

Mr. Whiteway: Mr. Speaker, I rise on a point of order.

Mr. Deputy Speaker: Order, please. Our adjournment debate procedure does not allow for the raising of points of order. If the hon. member wishes to raise a point of order, perhaps he can do so tomorrow before orders of the day are called.

AIR CANADA—ALLEGATION OF POOR BILLING PROCEDURES IN FINANCE BRANCH, WINNIPEG—GOVERNMENT POSITION

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, coincidentally two Manitoba members this evening are asking for a proper audit of a Crown corporation. Of course the answer given to the request of the hon. member for Selkirk (Mr. Whiteway) constituted complete evasion. We are used to that.

● (2220)

I have been asking for the Auditor General to conduct a complete audit of Air Canada's finance branch at Winnipeg due to the financial fiasco there, the huge deficits being faced, and the requests for fare increases. I received a most unsatisfactory answer from the Assistant Auditor General who stated, and I quote:

> As you are probably aware, parliament has directed that the accounts and financial transactions of Air Canada be audited by the same auditor that parliament appoints to audit the accounts of Canadian National Railways. Therefore, in my opinion, the Auditor General has no authority to conduct any inquiry nor has he any right of access to the financial records or documents of the corporation.

That statement is completely false. It is signed by J. R. Douglas, Assistant Auditor General. I wish to point out to Mr. Douglas and the parliamentary secretary that under Section 67 of the Financial Administration Act the Auditor General can be appointed as the auditor or joint auditor of the corporation. However, that has not been done in the past. It is certainly time that it was done, especially with regard to Air Canada.

There was a report of the independent review committee of the office of the Auditor General which was completed in March, 1975. In that report it states that the Financial Administration Act defines a Crown corporation as:

> —a corporation that is ultimately accountable, through a minister, to parliament for the conduct of its affairs.

When a Crown corporation such as Air Canada has a $12,473,000 deficit, an audit and accounting system that has completely broken down, and has the nerve to state they want a fare increase, the Auditor General should move in immediately. A directive should be issued by the government to have an immediate audit conducted. All the contracted work should be returned to the finance branch in Winnipeg. There were further recommendations by this committee. I quote from chapter six, page 116:

> The Auditor General should audit the financial accounts of all Crown corporations whose expenditures directly affect the budgetary accounts of Canada.

On page 117 it states:

> The Auditor General should have the right of access to the financial records and documents of all Crown corporations of which he is not the auditor, as he deems necessary to the fulfilment of his responsibilities as auditor of the accounts of Canada.

The Assistant Auditor General made reference to the auditing done by the firm of Cooper and Lybrand of Ottawa. In their submission to the Minister of Transport (Mr. Lang), in the 1975 Annual report, they state:

> Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

We are not interested in a general review of Air Canada. We are interested in a complete and proper audit. This document should be questioned as to whether it is worthwhile. I imagine it was very costly, yet all we get out of it is a general review.

One of the issues I raised two weeks ago was the Warnock Hersey account which had 400 tickets not accounted for. The following day after I raised the matter in the House, Air Canada received a statement for $44,000. The parliamentary secretary informed the House that the account covered a period of several months. That was not

correct. It was for a period of three years. All that was showing on Air Canada's books was $1,600 owing, not $44,000. That account has now been closed. Therefore it can be seen why the Auditor General should move into Air Canada. This statement has, I imagine, been supplied by Air Canada, so the parliamentary secretary will see he has been misinformed by Air Canada.

A further reason for the Auditor General to move in was given by the hon. member for Central Nova (Mr. MacKay) during the question period today when he pointed out that travel agents are not adhering to Air Canada warnings about improper billing practices and procedures. My hon. friend first raised this matter on November 26, 1975, and the Minister of Transport has been most negligent in taking no action to rectify the problem. This is a matter which I myself have raised. I pointed out there are no longer any enforced controls on the reporting of ticket sales by travel agents. As of October, 1975, in excess of the 96,000 travel agent ticket sales were unreported. This represents a minimum of $2,208,000 unpaid for transportation. Air Canada's lowest fare is $23—this is the basis of the calculation by which the figure of $2,208,000 is reached. Further, billings to Air Canada from other airlines do not receive a complete audit inasmuch as items billed for $75 or less are assumed to be correct and are paid for without question.

I might say also that there are in excess of 180,000 tickets which have been used but in respect of which there is no record of sales ever having been reported to the finance branch. At a dollar a ticket this represents a lot of money, but when one considers that the lowest charge on Air Canada flights is $23 there is cause for concern to the tune of a possible $3,843,000. Can anyone explain the many hundreds of thousands of ticket sales which have been reported but in respect of which the fares collected are insufficient to cover the cost of the transportation used? I hope the parliamentary secretary will give a satisfactory answer tonight, along with an assurance that we are to see a proper audit and an end to this financial mess in Winnipeg.

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Well, Mr. Speaker, in reply to the argument raised by the hon. member for Winnipeg South Centre (Mr. McKenzie) this evening I hope I can offer some reassurance by making three or four brief points.

On the general question of the financial management of Air Canada, its auditing and other procedures, the House will know that the whole subject was examined very thoroughly not long ago by Mr. Justice Estey, and his report, which was published last year, is a very helpful and important document. I know the hon. member has studied it closely and I know it has given some guidance to the government in connection with what future action might be taken to correct what difficulties or apparent difficulties were revealed in the course of Mr. Justice Estey's study.

The hon. member's second point has to do with the general accountability of Air Canada to parliament, or more particularly to a standing committee of this House. This was referred to, at least in passing, by the hon. member a few nights ago when he and I had an opportunity to discuss this same question during the adjournment proceedings.

The steering committee of the Standing Committee on Transport and Communications has considered the question of an appropriate time at which to invite Air Canada to appear before members of parliament for a thorough discussion of the corporation's operations. I would imagine that such a discussion would include the subject raised this evening. Although a specific date has not been fixed by the steering committee, this is a matter which is receiving active attention and I do not think it will be too long before we can come to some agreement as to when an appropriate occasion will present itself.

On the question of auditing procedures which presently govern Air Canada's operation it is true that the Auditor General is not generally involved, simply because the present statutory requirements do not put the Auditor General or Air Canada in that position. The books of Air Canada are, of course, officially audited every year by a firm of chartered accountants, and that auditors' report is carried in every annual report of the airline as a matter of public record, so the House and the country can be well assured that the financial operations of the airline are subject to auditing procedures.

● (2230)

Finally, Mr. Speaker, with reference to the question put earlier today by the hon. member for Central Nova (Mr. MacKay) to the minister with respect to certain problems in connection with travel agency matters, the minister indicated that he is following the question very closely and that if there is anything to report to the hon. member or to the House he will be doing so at the very first opportunity.

Motion agreed to and the House adjourned at 10.32 p.m.

HOUSE OF COMMONS

Wednesday, June 2, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT ADMINISTRATION

SUGGESTION CABINET ASSUME RESPONSIBILITY FOR FAILURE TO CONCLUDE CONTRACT WITH LOCKHEED—MOTION UNDER S.O. 43

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity with regard to the scandalous precedent of the Minister of Supply and Services (Mr. Goyer) in his scurrilous attack on the Public Service of Canada. In light of the fact that cabinet as a whole knew and approved the LRPA purchase contract despite a significant shortfall on November 27, 1975, I move, seconded by the hon. member for Fundy-Royal (Mr. Fairweather):

That this House deplore the recent attack upon the integrity of the Public Service of Canada made by the Minister of Supply and Services and direct the cabinet to publicly assume the entire responsibility for the failure of the LRPA contract, as both honour and precedent dictate.

Mr. Speaker: Order, please. This motion requires unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Paproski: Resign, Goyer. Mr. Speaker, Pierre said no.

* * *

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR STATEMENT ON RESPONSIBILITY OF FORCE FOR BREAK-IN AT QUEBEC NEWSPAPER OFFICE—MOTION UNDER S.O. 43

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I, too, rise on a matter of urgent and pressing necessity pursuant to the provisions of Standing Order 43, with reference to the policies and responsibilities of the RCMP and the Solicitor General of Canada (Mr. Allmand), and in particular the report of the RCMP investigation into the break-in at the offices of the Agence de Presse Libre du Québec. On several occasions this year the Solicitor General has detailed in *Hansard* his promises to report to the House on this matter. On May 18, as reported on page 13613 of *Hansard*, he stated he had received a full report from the RCMP but indicated he agreed to let the Quebec solicitor general deal directly with the RCMP, to determine whether something illegal had taken place. I move, seconded by the hon. member for Fundy-Royal (Mr. Fairweather):

That the Solicitor General, as minister responsible for the RCMP, make a statement on motions outlining fully the circumstances and the responsibility for the apparently illegal break and entry into the premises of this Quebec newspaper, above and beyond whatever action the Solicitor General for the province of Quebec intends.

Mr. Speaker: Order, please. Pursuant to Standing Order 43, the motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

AGRICULTURE

REQUEST COMMITTEE MAKE INVENTORY OF STOCKS OF DAIRY PRODUCTS IN WAREHOUSES—MOTION UNDER S.O. 43

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, pursuant to Standing Order 43, I request the unanimous consent of the House to present a motion dealing with a matter of urgent and pressing necessity.

Since the new federal government dairy policy was developed because of an alleged overproduction of dairy products, and since the findings of research made in some dairy warehouses, especially for powdered milk, where stocks are equivalent to only 15 days of production, show that those same warehouses are 15 to 20 per cent full, I move, seconded by the hon. member for Lotbinière (Mr. Fortin):

That simultaneously and without notice, the Standing Committee on Agriculture visit all dairy warehouses to check and make the inventory of existing stocks so that farmers not be penalized for a surplus production which is apparently nonexisting.

Mr. Speaker: Order, please. The House has heard the hon. member's motion. Pursuant to the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There not being unanimous consent, the motion cannot be put.

Transport

● (1410)

AIR TRANSPORT

PROPOSED APPOINTMENT OF FRENCH-SPEAKING COMMISSIONER ON COMMISSION ON BILINGUAL COMMUNICATIONS—MOTION UNDER S.O. 43

Mr. Roch La Salle (Joliette): Mr. Speaker, under the provisions of Standing Order 43, I ask the unanimous consent of the House to move a motion on a matter of urgent and pressing necessity.

Considering that the Minister of Transport thought it proper recently to make an inquiry on the application of bilingualism in air communications, and considering also that the minister appointed as responsible commissioner Mr. John Keenan, a former adviser to the Canadian Air Line Pilots' Association, which prompts quite a few people to question the impartiality of the inquiry, and recognizing that the inquiry must be conducted with the strictest impartiality, I move, seconded by the hon. member for Brome-Missisquoi (Mr. Grafftey):

That this House unanimously ask the responsible minister to appoint immediately a French-speaking co-commissioner, if we want to give this inquiry the credibility required in such circumstances.

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

TRANSPORT

SUGGESTED REVISION OF POLICY ON FEED GRAIN ASSISTANCE—MOTION UNDER S.O. 43

Mr. Armand Caouette (Villeneuve): Mr. Speaker, pursuant to Standing Order 43, I ask the unanimous consent of the House to move a motion on a matter of urgent and pressing necessity.

In view of the fact that the discontinuance of western feed grain freight assistance might result in the short term, in higher prices for pork, poultry and eggs and, in the long term in the closing down of hog breeding and poultry operations, according to Mr. François Dagenais, research director for the UPA, I move, seconded by the hon. member for Champlain (Mr. Matte):

That the House urge the government to reconsider immediately its feed grain assistance policies in order to protect the farming industry from bankruptcy following the discontinuance of feed grain freight assistance.

Mr. Speaker: Order, please. The House heard the motion of the hon. member. Pursuant to the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

[Mr. Speaker.]

Some hon. Members: No.

Mr. Speaker: Since there is not unanimous consent, the motion cannot be put.

* * *

AGRICULTURE

REQUEST FOR GUARANTEE OF HIGHER INCOME TO INDUSTRIAL MILK PRODUCERS—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, under the provisions of Standing Order 43, I ask the unanimous consent of the House to move a motion on a matter of urgent and pressing necessity.

In view of the disastrous situation industrial milk producers have experienced following the dairy policy announced by the Minister of Agriculture; since some of them even receive cheques on which the amounts are replaced by the word "cancelled"; in view of the fact that deductions and levies exceed incomes and also that thousands of producers will be here tomorrow to voice their grievances, I move, seconded by the hon. member for Lotbinière (Mr. Fortin):

That the House instruct unanimously the government that industrial milk producers be guaranteed a higher income than last year's under the anti-inflation guidelines.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

ORAL QUESTION PERIOD

[*English*]

SUPPLY AND SERVICES

LOCKHEED CONTRACT—MINISTER RESPONSIBLE FOR RECOMMENDATION TO CABINET

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is to the Minister of Supply and Services. It arises out of the attempt by the minister yesterday to transfer blame for this government's gross incompetence in the Lockheed affair to a middle ranking civil servant. Since civil servants do not place recommendations before cabinet, will the minister confirm that a recommendation to proceed with this deal was made to cabinet by a minister and can he tell us which minister took responsibility for that recommendation?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I wonder what suggestions the Leader of the Opposition has in mind.

[*English*]

Mr. Clark: Mr. Speaker, I was referring to the agreement that has become known as the $16 million misunderstanding.

Some hon. Members: Hear, hear!

Mr. Clark: With regard to the proposal apparently submitted to cabinet in December of last year, will the minister advise this House and me whether the recommendation made on that matter with respect to the establishment of government policy was made by a minister, and, if so, by which minister?

[*Translation*]

Mr. Goyer: Mr. Speaker, the documents provided to the cabinet are of course presented by the responsible minister.

[*English*]

Mr. Clark: One of my colleagues suggests I would have been better off asking Mother Theresa. It will clearly be necessary to pull out answers one by one. Will the minister tell us by which minister that recommendation was made?

[*Translation*]

Mr. Goyer: Mr. Speaker, I really thought that the Leader of the Opposition had understood that the minister responsible for national defence programs was the Minister of National Defence.

* * *

[*English*]

NATIONAL DEFENCE

LOCKHEED CONTRACT—ACCEPTANCE OF RESPONSIBILITY BY MINISTER AND RECOMMENDATION TO CABINET

Mr. Joe Clark (Leader of the Opposition): I should like to direct a supplementary question to the Minister of National Defence. Yesterday, the Minister of Supply and Services said, as reported in *Hansard* at page 14030 that the financing of this contract was the prime and exclusive responsibility of the customer department, that is, the Department of National Defence. Does the Minister of National Defence accept prime and exclusive responsibility in this matter and, if so, can he tell us precisely what recommendations he made to cabinet on this matter and what supporting documents he put forward?

Hon. James Richardson (Minister of National Defence): It is well known that the user department, the department making the purchase, is responsible for the funding. This is the responsibility of the Department of National Defence in relation to the purchase of long range patrol aircraft. When we come to the question how payment is to be made over a period of years, and how the progress payments are to be made, it becomes a matter of negotiating a contract and in that sense there is a dual responsibility because the negotiation of a contract belongs in the Department of Supply and Services.

Some hon. Members: Oh!

Mr. Clark: One is led to ask which of the ministers we are supposed to believe because they are clearly in direct contradiction.

Some hon. Members: Hear, hear!

Mr. Clark: Does the Minister of National Defence deny the suggestion made by his colleague yesterday that the prime and exclusive responsibility in this matter—I emphasize the word "exclusive"—lies with the customer department, that is to say, with the Minister of National Defence and that none of the responsibility is shared with the Minister of Supply and Services? Or does he disagree with the position taken by his colleague yesterday?

Mr. Richardson: I was not in the House yesterday and I am not aware of all that was said yesterday. I can only repeat that the total funding is the responsibility of the user department. National Defence had within its budget $953 million to purchase aircraft and in addition it had approval from the government for more than $100 million for interest payments. The program was funded by National Defence but it was not funded in the years in which payments were required in order to get the most cost effective arrangement with the Lockheed Company. The negotiation of the contract is very definitely not the responsibility of the Department of National Defence. That situation of divided responsibility has existed for many years. I have been Minister of Supply and Services and Minister of National Defence and I understand the distinction and the responsibilities that rest in each of those departments.

● (1420)

I am not at this time wishing to place blame; I am simply trying to answer clearly the question of the Leader of the Opposition. I would think the crucial point in these negotiations turns around the telex that was sent on December 2. It was signed by my colleague the Minister of Supply and Services, but I would share with him, and my officials I believe should share with his officials, responsibility for the sending of that telegram. Because at that time the telegram was sent in the belief that it was in the best interests of the government and the people of Canada, since we were protecting our rights, our price, our industrial benefits and the schedule that had been negotiated over many months. So, I would support the Minister of Supply and Services in the signing of that crucial document.

LOCKHEED CONTRACT—MINISTER'S POSITION ON FAILURE TO OBTAIN WRITTEN AGREEMENT

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, I have a final supplementary question for the minister. I presume it was a Freudian slip when the minister said that he had been Minister of National Defence. Yesterday the Minister of Supply and Services said in his statement that "not obtaining a written agreement from Lockheed was a serious error" and further that it was also "a very serious

mistake that the minister responsible for negotiating the agreement with Lockheed was not informed of the basic funding difficulties before December 2". Does the Minister of National Defence's support of his colleague extend to agreeing with this criticism and accepting it as factual?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I have not been misled by any of my officials or by any officers, including General Allan. I believe they have performed their duties as well as they could and they performed them honestly in all of this.

Some hon. Members: Hear, hear!

* * *

SUPPLY AND SERVICES

LOCKHEED CONTRACT—REASON FOR SENDING TELEX ON DECEMBER 2

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I hope I have a question for the Minister of Supply and Services. Last Tuesday when I asked the minister why he had sent a telegram on December 2 over his signature in which for the first time, at least according to the information revealed by the government, the government of Canada committed itself in a serious contractual way with the Lockheed Corporation, the minister replied that "the matter had become far more imbued with politics than the main business principles that are essential to the negotiation of contracts with suppliers." I would like to know what the minister meant when he gave me that answer last Tuesday about the telegram. In particular, having said in the House yesterday that neither he nor the Minister of Defence on December 2 knew of the details of the financial arrangements that were being worked out with the Lockheed Corporation, then under those circumstances why in heaven's name was that telegram sent on December 2?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, it is quite simple. If the hon. member refers to what was said in the House and if he wants to use his brains, he will easily understand. As the Minister of National Defence (Mr. Richardson) indicated, the deadline to sign an agreement with Lockheed to protect the cost and industrial benefits offered by that company as well as the delivery schedule was December 2. Indeed, on that date, the government sent a telex to Lockheed indicating our desire to negotiate a contract with that company.

Of course, the government was then considering how to meet its financial commitments, as shown by the agreements negotiated between the Crown and Lockheed.

[*English*]

LOCKHEED CONTRACT—RECOMMENDATION TO CABINET PRIOR TO DECEMBER 2—ASSURANCE AS TO FINANCING

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I will direct my supplementary question to the Prime Minister since this was a Cabinet decision. Can he inform the House whether the Minister of Supply and Services, the Minister of National Defence or, indeed, the President of the Treasury Board, recommended to the Cabinet the course of action which led to the sending of that telegram on December 2, and in that recommendation did they assure the Prime Minister and other members of the Cabinet that there was no problem in terms of financing the project?

[Mr. McKinnon.]

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

Some hon. Members: Hear, hear!

An hon. Member: That is just to cheer you up, Pierre.

Some hon. Members: Oh, oh!

Mr. Trudeau: Yes, Mr. Speaker.

Mr. Broadbent: I am sorry, did the Prime Minister say "yes"?

Some hon. Members: Oh, oh!

Mr. Broadbent: Mr. Speaker, the Prime Minister has obviously mastered the art of loving, and he is now trying to—

Some hon. Members: Order.

An hon. Member: Get to the question.

Some hon. Members: Hear, hear!

LOCKHEED CONTRACT—REASON PRIME MINISTER DID NOT ASK FOR RESIGNATIONS OF MINISTERS CONCERNED

Mr. Edward Broadbent (Oshawa-Whitby): I will get to the point, Mr. Speaker. If the recommendation came to the Cabinet, for confirmation of this deal with Lockheed, with the understanding there were no financial problems involved, in light of what has since transpired, why does the Prime Minister wait so long either to demand the resignation of the Minister of Supply and Services, the Minister of National Defence or, preferably, both?

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I answered "yes" because these facts are well known by the House, and a resignation would be a complete *non sequitur* in relation to the question. The answer was "yes" because those facts were given repeatedly to the House several months ago by the Minister of National Defence and the Minister of Supply and Services. I do not know why the opposition is only beginning to understand this.

Some hon. Members: Oh, oh!

[*Translation*]

GOVERNMENT ADMINISTRATION

LOCKHEED CONTRACT—TREATMENT OF CIVIL SERVANT—POSITION OF PRIME MINISTER

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, my question is also directed to the right hon. Prime Minister who has just said that the House was aware of all the facts for months, when facts were brought to light yesterday that they were not known previously. I find the Prime Minister rather mute about the question put to the Minister of National Defence and the Minister of Supply and Services. When you see them tossing the ball around back and forth as they are doing, one wonders if one is dealing with a ministerial or a baseball team, so much so that I even wonder if it might not be better than the Montreal Expos.

In view of the very touchy situation, yesterday the Minister of Supply and Services announced the transfer of a high official who did not remember what had happened a few months ago, and the suddenly remembered. Does the Prime Minister intend at least to transfer either minister to another job to spare the public, the Canadian taxpayers, apprehensions about the situation?

● (1430)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member is mistaken. When I said the facts were known, I was speaking of those with which the question of the leader of the New Democratic Party dealt. Obviously, yesterday the Minister of Supply and Services told us about a development which had been brought to his attention, but it was not what the leader of the NDP was talking about. The hon. members were made aware of the fact yesterday. The minister expressed his surprise and asked, according to normal procedure, the deputy minister and the persons responsible to see whether there had been any wrongdoing, and if so, how serious it was. I don't see what there is to fuss about.

* * *

[*English*]

SUPPLY AND SERVICES

LOCKHEED CONTRACT—DATE ON WHICH MINISTER WAS AWARE OF VERBAL AGREEMENT ON FINANCING

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, my question is for the Minister of Supply and Services. On Monday evening in the House the parliamentary secretary to the minister stated that the verbal arrangement in respect of the cash shortfall that was to be financed by Lockheed did not become known to the minister or the senior officials of his department until January and the minister said in the House that he did not know about the shortfall until subsequent to December 2. Will the minister say when he did first know about this verbal agreement, how he learned about it, where it was and what was the date?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, that is obvious and has been said many times. I would simply remind the hon. member that according to normal government procedure, the client department must provide the funding and necessarily take full responsibility for it. Now, it is normal that my department, when the time comes to sign the contract, if a department asks us to purchase an aircraft of a given type with certain specifications, should include them in the contract. The same thing applies to financial arrangements. When a department tells us about its financial situation, we include that in the contract, and that is all. It is as simple as that, I see no problem.

[*English*]

LOCKHEED CONTRACT—ATTENDANCE OF MINISTER AT TREASURY BOARD AND CABINET MEETINGS WHEN FINANCING APPROVED

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, it is very clear that the minister is purposely avoiding the question.

Some hon. Members: Hear, hear!

Mr. Bawden: I invite the minister to answer my first question when he responds to my supplementary. In view of the fact that all the details of the verbal agreement with Lockheed and the interest payment for the Lockheed loan were approved at the Treasury Board meeting of November 27 and at the cabinet meeting the same day—and this point was confirmed in a Commons committee by the Minister of National Defence—will the Minister of Supply and Services say whether he attended the Treasury Board meeting that day and the cabinet meeting that day when these payments were authorized? If he did not attend those meetings did he receive the minutes of the Treasury Board meeting and the cabinet meeting subsequently?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): So, if the hon. member is so well informed as to say that the cabinet and the Treasury Board approved the expenditure, I cannot see then why he asks whether the financing was provided for on December 2.

[*English*]

Mr. Speaker: A final supplementary by the hon. member for Calgary South.

Mr. Bawden: Mr. Speaker, will the minister say whether he knew about these details as a result of the cabinet meeting and the Treasury Board meeting or did the minister feel that $16 million was not enough for him to be involved?

[*Translation*]

Mr. Goyer: Mr. Speaker, if we agreed on December 2 with Lockheed to sign a formal contract with them in the near future, it is because at that time it was necessarily understood that the expenses incurred until then could be met by the Department of National Defence.

[*English*]

GOVERNMENT ADMINISTRATION

ALLEGED ATTACK ON PUBLIC SERVANTS BY MINISTER OF SUPPLY AND SERVICES—SUGGESTED REFERENCE TO COMMITTEE

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, my question is directed to the Government House Leader. In view of this veil of secrecy that seems to have fallen from the lips of the Minister of Supply and Services through which in an unprecedented way he has taken shots at specified public servants, an action virtually unprecedented in the history of this House, and he has done this to people who have no opportunity to defend themselves,—

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): —will the Government House Leader agree to an immediate reference of this matter to the appropriate standing committee with a specific understanding that these officials against whom his colleague has made serious accusations be given a full opportunity to explain their side of the story and produce any and all the supporting documentation for the purpose of this presentation. I think we should get at the truth in this, Mr. Speaker.

Some hon. Members: Hear, hear!

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, may I make two comments with regard to the suggestion from the House leader of the opposition. First of all, if the House wants to inquire further into this matter of the minister there are many opportunities when they can do so on opposition days if they are really interested or they may prefer to keep a veil of secrecy over this matter which is apparently what they prefer to do. Certainly, if the civil servant in question has a grievance, as the hon. gentleman knows since he had a good deal to do with the legislation, there are plenty of opportunities for him to express it and to get justice.

* * *

SUPPLY AND SERVICES

LOCKHEED CONTRACT—FAILURE OF MINISTER TO TAKE RESPONSIBILITY FOR ACTIONS OF CIVIL SERVANTS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Supply and Services. As it has always been accepted procedure in all governments for a minister to accept full responsibility for the actions of the civil servants who work in his department, I ask the minister how he can possibly try to justify his actions of yesterday when he tried to avoid his responsibility in the Lockheed case, known now as the $16 million fiasco, by blaming one of his senior civil servants for something which obviously is the responsibility of the minister.

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): On the contrary, Mr. Speaker, First, I feel precisely that I have taken my responsibilities, and I have indicated in the House how I did so. If the House prefers not to be informed, it is its right, but I will not play this game.

Second, to the hon. member's allegation that the rights and privileges of a civil servant have been encroached upon, I will simply answer that if this civil servant does not accept the decision, the law exists and is very clear: he has 14 days to file a grievance. He may also, thanks to an amendment brought in by this party, appear before the Federal Court and take an action against the deputy minister and the minister, if he so wishes. That is clear enough.

[*English*]

Mr. Hees: Mr. Speaker, I have a supplementary. It is very obvious from the minister's answer that his idea of how he, as a minister, should treat his civil servants is completely different from the idea of those who have served in the cabinets of this country for over 100 years.

* * *

NATIONAL DEFENCE

LOCKHEED CONTRACT—KNOWLEDGE OF MINISTER OF FINANCIAL NEGOTIATIONS—INFORMATION GIVEN CABINET

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of National Defence. Arising out of the statement yesterday by the Minister of Supply and Services in which he said that neither he nor his deputy minister were informed of the financial negotiations by the Department of National Defence and Lockheed prior to December 2, I want to ask the Minister of National Defence if he was aware of the financial negotiations which were going on, and if he was did he at any time pass this information on to the Minister of Supply and Services? Did he place these facts before the cabinet when it met at its meeting of November 27?

● (1440)

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I think it will help the House and the hon. member if I try to make a distinction between the shortfall and Lockheed's inability to finance the shortfall. The shortfall is the difference between the funds that were available in the Department of National Defence and the funds required for payments by Lockheed. That was clearly known in November and it was in the cabinet documents. I have described many times, before the committee and in other ways, that the government approved $100 million in interest for financing. If you are going to have interest for financing, you must be intending to borrow. If you are going to borrow, there must be a shortfall—that is self-evident. So that any number of cabinet ministers who attended those meetings knew there was a shortfall—that is clear.

The timing of Lockheed's inability to provide the interim financing may not be so clear. That was not known to me or to my colleagues until at least mid-December because Lockheed only told us then after the cabinet decision that they could not provide the financing. If anyone has misled anybody in these days it was Lockheed which misled us by saying they could provide the interim financ-

ing. It was not known to me until I returned from the NATO meeting in Brussels that they could not do so. I remember very well coming back here on about December 15 at which time my deputy minister told me for the first time that Lockheed were not able to do what they had said they could do. If that is what my colleague, the Minister of Supply and Services, is referring to, I would like the House to understand the difference. It is one thing to know about the shortfall—which I think we all knew about—and it is another thing to know about Lockheed's failure to provide interim financing, which came at a later date.

LOCKHEED CONTRACT—POSSIBLE REQUEST OF COMPANY FOR WRITTEN COMMITMENT ON FINANCING

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the minister, since the minister now says the problem lay in the interim financing which Lockheed was not able to supply or negotiate when the minister made his recommendation to cabinet on November 27 which was followed later by the telex sent out on December 2, whether he asked Lockheed for any written commitment that they could supply the interim financing or, in the absence of that assurance, whether he insisted on any provision being placed in the agreement that in the event that they were not able to supply the interim financing the contract was null and void and the Canadian people would have no financial responsibility?

Hon. James Richardson (Minister of National Defence): No, Mr. Speaker—

An hon. Member: Why?

Mr. Richardson: The officials who were negotiating with Lockheed expected to continue these negotiations. It did seem at the time completely reasonable that as the government of Canada had approved $953 million and, as I said, had approved more than $100 million for interest payments, the project was financeable. When Lockheed said that they could provide the interim financing—and we must remember we were still at that time also dealing with Boeing, it was still a battle between the two companies—Boeing also said they could provide the financing. So there was no attempt by anyone at that time to get confirmation of the Lockheed statement.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I take it from the minister that what the minister is saying is that he accepted a verbal assurance. I would have thought that one with his experience would know that a verbal assurance is not worth the paper it is written on.

Some hon. Members: Oh, oh!

ALLEGED NEW LOCKHEED PROPOSAL—GOVERNMENT POSITION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): It is reported now that the Department of National Defence and Lockheed are looking at a new proposal for an Orion with less sophisticated equipment. Can the minister tell us anything about this deal which is being discussed and whether or not there is any problem of interim financing and who will supply it, or will we have another re-run of this horror movie?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, in response to the first part of the question I would like to say that I believe, in fairness to the officials who were negotiating with Lockheed at the time, that they were concentrating exclusively on the terms of the contract and that they were not concentrating at that time—perhaps as they should have been or as we all should have been—

Some hon. Members: Now you got it.

Mr. Richardson: —on the financing aspects. But I can only repeat that with the interest payments approved by cabinet, and with the assurances from Lockheed as well as the fact that we were working in a tight time frame, I think it is understandable that we proceeded as we did.

In answer to the second question, Lockheed submitted an unsolicited proposal to us yesterday, and Boeing have also submitted a new proposal to us; these are now being studied.

LOCKHEED CONTRACT—DATE MINISTER KNEW OF SCHEDULE OF PAYMENTS

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is supplementary to the ones asked by the hon. member for Nanaimo-Cowichan-The Islands, and it is addressed to the Minister of National Defence. The schedule of payments which was set out in the part contract tabled by the Minister of Supply and Services on May 25, at page 8 or 4 depending on whether you read the top of the page or the bottom, called for an expenditure of over $120 million by the Department of National Defence this year for the LRPA. Can the minister tell us when he first knew of the schedule of payments, and can he assure us that he did not know of that schedule of payments before December 2, because if he knew of the schedule of payments he cannot possibly say that he was satisfied that Lockheed would be able to find the money. They were asking for that payment.

Hon. James Richardson (Minister of National Defence): A schedule of payments was drawn up during the summer months. As I have said on other occasions, it was not known during those months whether the schedule of payments would be met by direct funding by the government or whether the restraint program of the government would suggest the advisability of financing the payments in the first, second and third year of the contract. It was only in the final weeks of the negotiation that the decision was made by the government that it was better to proceed by the financing route. So we actually in that sense changed from direct funding—which had originally been the concept—to another form of funding.

Oral Questions

GOVERNMENT ADMINISTRATION

LOCKHEED CONTRACT—REQUEST FOR TABLING OF MINUTES OF CABINET AND TREASURY BOARD DEALING WITH CONTRACT

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, it being very obvious that it is impossible to secure any clear and truthful answers to the various questions that have been asked—

Some hon. Members: Question.

Mr. Diefenbaker: —and the desire of the government to cover up is apparent—I would ask the Prime Minister whether the Minister of Supply and Services—the $16 million kid—will be able to get away with his explanations placing responsibility of others, civil servants and the like, and on the Minister of National Defence, and whether he will produce the minutes of the cabinet and of the Treasury Board dealing with this matter and table them in the House. There is nothing constitutional against this. All we want to get is the truth, which apparently is not being secured through the questions that are asked here because of the type of answers that are being given which negate each other.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am surprised to hear the words "cover up" used by a party which hires secret detectives.

Some hon. Members: Hear, hear!

● (1450)

Mr. Clark: Any evasion will do, won't it Pierre?

Mr. Trudeau: —and not only tries to hide the use of those detectives from the House but tries to hide it from the detectives themselves by going under another name.

An hon. Member: You know you are on weak ground.

Mr. Trudeau: As to the suggestion of the right hon. member, he is quite right—there is nothing I know of written in the constitution about this but there are of course certain constitutional conventions.

Mr. Clark: Such as ministerial responsibility.

Mr. Trudeau: If he wishes us to begin making public the minutes of cabinet and of the Privy Council we will consider it, providing he gives me the privilege of making public the minutes of his cabinet.

Some hon. Members: Hear, hear!

An hon. Member: Another diversion.

Mr. Diefenbaker: Mr. Speaker, this gratuitous observation by the Prime Minister indicates that his mind is most uncertain on this and that is understandable after all the holidays he takes.

An hon. Member: Just say yes.

Mr. Diefenbaker: I again ask him whether he would produce those records. There is nothing constitutional against it being done. The President of the Privy Council said they would not permit this matter to go before a committee. What are they hiding and why? It becomes very clear that the Minister of National Defence is to become the scapegoat here. As far as I am concerned he is the only one who has shown any proof.

[Mr. Richardson.]

Mr. Trudeau: Mr. Speaker, perhaps the right hon. gentleman did not hear my answer. I indicated quite clearly that there was certainly a convention—

Mr. Diefenbaker: There is no convention of that kind at all.

Mr. Trudeau: If there is no convention, Mr. Speaker, I take it from the suggestion of the right hon. gentleman that I am now free to make public, documents and minutes from his cabinet.

An hon. Member: Are you going to produce them, yes or no?

Mr. Diefenbaker: A final supplementary, Mr. Speaker. We on this side of the House have nothing to cover up.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: What I am endeavouring to do is to uncover an obvious loss to the Canadian people as a result of the stupidity of the Minister of Supply and Services.

Some hon. Members: Hear, hear!

Mr. Trudeau: Mr. Speaker, I just indicated in an answer to the leader of the Social Credit party that in so far as the conduct of my ministers is concerned, they have given to the House the knowledge they had when they received it and I add that in so far as their conduct is concerned, il n'y a pas de quoi fouetter un chat.

* * *

[*Translation*]

AGRICULTURE

INQUIRY WHETHER STOCKS OF DAIRY PRODUCTS HAVE BEEN PROPERLY CHECKED

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, my question is directed to the Minister of Agriculture.

Could the minister assure the House that the total surplus of dairy products mentioned in the various reports submitted by the Canadian Dairy Commission agree with the stocks stored during the given periods?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, there is so much noise in the House I did not hear the first part of the question.

Mr. Baker (Grenville-Carleton): Get in on the cabinet meeting over there, Gene.

[*Translation*]

Mr. Rondeau: Mr. Speaker, I am pleased to repeat my question for the Minister of Agriculture. Since we will have the visit of farmers tomorrow who are wondering about a number of serious questions, could the minister

assure the House that the total surplus of dairy products mentioned in various reports of the Canadian Dairy Commission fully agree with the stocks stored during these same periods?

[*English*]

Mr. Whelan: Mr. Speaker, if I understood the question correctly the hon. member has asked about dairy stocks, if they are accurate. They have these changed from month to month because we are always disposing of some stocks, selling them domestically or selling on the world market. They have a sales program. I would say the stocks we have on hand and on record are fairly accurate from month to month.

* * *

NATIONAL DEFENCE

LOCKHEED CONTRACT—FACTORS PREVENTING CANADIAN BANKS FROM FINANCING THE CONTRACT

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, my question is for the Minister of National Defence. What were the factors that prevented the Canadian banking consortium from financing the $300 million Orion deal and was there any exploration of the possibility of the government involving itself in any way to allow the banks to do this bridge financing?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I really believe that is a question that should be answered by the banks.

* * *

SUPPLY AND SERVICES

LOCKHEED CONTRACT—CONDITIONS UNDER WHICH CONTRACT WOULD BE SIGNED—REQUEST FOR TABLING OF TELEX

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, my question is directed to the Minister of Supply and Services. On Monday the minister was asked about the content of the Telex he sent to Lockheed on December 2 last informing them that the government intended to sign a contract with them if certain conditions were met. The minister was asked what these conditions were and he replied that one was that Lockheed would have to get permission from the government of the United States to transfer certain pieces of manufacturing equipment to Canada. Can the minister now tell the House how many other conditions were enumerated in that Telex and what those conditions were?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, if my memory serves me right, we then indicated to Lockheed that we were prepared to sign a formal contract on the condition, of course, that industrial windfalls would be taken into consideration and that the American government would grant permission to Lockheed to transfer some pieces of machinery to allow them to face their obligations in respect of industrial windfalls to Canada. We also told Lockheed that we would sign a contract in the near future.

[*English*]

Mr. Woolliams: A supplementary question, Mr. Speaker. In light of the fact that the minister says there is no cover-up, would he be prepared now to table the Telex and any reply to the Telex in question?

[*Translation*]

Mr. Goyer: Mr. Speaker, I think I did fully satisfy the wishes of the House. I tabled the documents—

Some hon. Members: No!

Mr. Goyer: —maybe I could finish? I tabled the documents which constituted our contractual commitment with Lockheed and then, of course, all other agreements automatically became void. What is before the House is the contractual commitment the government has with Lockheed, and the document is complete.

[*English*]

LOCKHEED CONTRACT—DATE ON WHICH MINISTER AWARE OF SHORTFALL IN FINANCING

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is also for the Minister of Supply and Services. In several statements the minister has made in the House and if he wants I can give him the dates and page numbers in *Hansard*, he said that it was only on December 2 that he was finally made aware of the basic funding difficulties in this whole transaction. He is shaking his head—is he shaking it no? You mean you knew of these difficulties before December 2 or have you—

Some hon. Members: Order!

Some hon. Members: Oh, oh!

Mr. Lawrence: All right. On Monday evening the parliamentary secretary to the minister told the House at page 14015 of *Hansard:*

> The question of a shortfall of cash to be financed by Lockheed did not become known to the minister and to the senior management of DSS until January.

Which was it? Was it on December 2 or in January that the minister finally realized the basic funding difficulties in respect of this transaction?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, once again I beg the hon. member to be honest. Let him say on what page I mentioned it was on December 2. The Minister of National Defence replied that we had been informed that Lockheed could not fulfill its undertaking in mid or late December. At any rate, the important point is that it was after December 2. I think the hon. member ought to check in *Hansard*.

● (1500)

[*English*]

Mr. Lawrence: A supplementary question, Mr. Speaker. I repeat: as reported on page 14015 of *Hansard*, on Monday

evening of this week the minister's parliamentary said in the House, and I quote:

The question of a shortfall of cash to be financed by Lockheed did not become known to the minister and to the senior management of DSS until January.

Can the minister explain this discrepancy, please?

[*Translation*]

Mr. Goyer: Mr. Speaker, I have just answered the question. Would the hon. member tell me how large this looms in his mind?

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I rise on a point of order.

Mr. Speaker: The hon. member for Shefford (Mr. Rondeau) on a point of order.

Mr. Rondeau: Mr. Speaker, I rise on a point of order. I would like very respectfully to point out that the hon. member for Témiscamingue (Mr. Caouette) did not have the opportunity to ask a supplementary while several members in the House today were able to put supplementary questions on very important matters. I have a supplementary question and I would be thankful to you for giving me the opportunity to direct it to the Minister of Agriculture (Mr. Whelan).

ROUTINE PROCEEDINGS

[*English*]

HEALTH, WELFARE AND SOCIAL AFFAIRS

Thirteenth report of Standing Committee on Health, Welfare and Social Affairs—Mr. Robinson.

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

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 3,988, 4,170, 4,566, 4,802, 4,995, 5,043 5,087, 5,250, 5,254, 5,266, 5,308, 5,356, 5,396, 5,419, 5,422, 5,439, 5,451, 5,474, 5,483 and 5,526.

[*Text*]

43-DAY STRIKE OF CUPW WORKERS

Question No. 3,988—**Mr. MacKay:**

1. In the recent 43-day strike of CUPW workers, did the inside workers receive a pay cheque including pay for days not worked because of the strike and, if so, for how many extra days?

2. Is action being taken to recover the extra days pay and, if so, in what manner?

[Mr. Lawrence.]

3. How many inside workers did not return to work after the strike was settled?

4. Does the government plan to recover the extra days pay from workers who did not return and, if so, in what manner?

5. How much will be lost to the government if it is unable to recover the extra days pay from those who did not return to work?

Mr. Paul E. McRae (Parliamentary Secretary to Postmaster General): 1. Yes. Nine days.

2. Yes, by deductions from subsequent cheques.

3. To give a proper estimate would require a survey of each staff post office and in all probability would not give us an accurate answer. In addition, the cost factor would be prohibitive.

4. Yes, from any termination payments that may be due. Where necessary, legal action will be taken.

5. The policy is to recover all debts.

PSYCHIATRISTS—MILLHAVEN

Question No. 4,170—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Millhaven Institution and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

LIVING UNIT-OFFICERS—LAVAL

Question No. 4,566—**Mr. MacKay:**

1. For the years 1970 to 1975, what was the number of living unit-officers at Laval?

2. Was their education (a) less than grade 10 (b) grade 10 to grade 12 (c) some college (d) beyond a first university degree?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

B.C. PENITENTIARY—LIVING UNIT-OFFICERS

Question No. 4,802—**Mr. Reynolds:**

1. For the years 1970 to 1975, what was the number of living unit-officers at British Columbia Penitentiary?

2. Was their education (a) less than grade 10 (b) grade 10 to grade 12 (c) some college (d) beyond a first university degree?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

POST OFFICE DEPARTMENT—OLYMPIC ADVERTISING

Question No. 4,995—**Mr. Howie:**

What was the cost of the 1976 Post Office calendar advertising the Olympic Games and, to whom was it paid?

Mr. Paul E. McRae (Parliamentary Secretary to Postmaster General): The 1976 Post Office calendar did not advertise the Olympic Games per se. The calendar contained 12 pages of copy and illustration in addition to the 12 monthly calendar pages. The copy and illustrations served to communicate the role of the Post Office and its many services, and how users may employ these services to

their advantage. One of the 12 pages explained the ways in which the Post Office supported the Olympic Games. The cost for the 1976 calendar was $146,480. Ashton-Potter Ltd. did the printing, and B. and B. Advertising Ltd. handled the artwork.

EDUCATIONAL RECOMMENDATION OF B. AND B. COMMISSION

Question No. 5,043—**Mr. Jones:**

1. In light of the provisions of Quebec's Official Language Act has the government considered the educational recommendation of the Royal Commission on Bilingualism and Biculturalism that "we recommend that when both types of school exist in the community, the right of parents to send their children to either the majority language school or the official language minority school be recognized"?

2. Are any communities in Canada not following the recommendation and, if so, in which communities and in what provinces?

3. Has the government considered opposing Quebec's Official Language Act if and when the Act or any section thereof is referred to the courts?

4. Does the government support the Act?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by the Department of the Secretary of State and the Prime Minister's and Privy Council Offices as follows: 1. Official-language teaching is not the responsibility of the federal government but rather that of the provinces.

2. Not applicable.

3. There is presently an action before the Courts challenging some sections of Quebec's Official Language Act. The trial before the Superior Court of Quebec has been concluded but a decision has not yet been rendered. While the Attorney General of Canada did not take an active part in the proceedings at that stage, he is a party thereto and has been and will be watching the proceedings carefully.

4. The Government is sympathetic to the object of the Act, which is to ensure the continued strength and development of the French language in Quebec. The Government does regret, however, those provisions which are not consonant with current trends towards the expansion of linguistic rights in Canada.

CNR STATION CLOSURES

Question No. 5,087—**Mr. Caouette (Témiscamingue):**

1. In the past three years, how many Quebec station masters have been suspended or discharged as a result of CNR station closures?

2. How many had more than (a) ten (b) fifteen (c) twenty (d) twenty-five years of service?

3. What (a) are the names and addresses of the stations closed by CNR in these years (b) were the reasons given by the CNR to close the stations (c) will be the future use of the closed stations?

4. What is the current location of the services related to transportation, such as telegraphic services for each community now deprived of stations that provided CNR telegraphic services?

5. What is the situation in l'Île Verte in relation to the services offered to the population, such as, station master, telegraphic services, ticket counter, etc.?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The Management of Canadian National Railways advises as follows: 1. None.

2. Not applicable.

3. (a), (b) and (c) The stations at the following locations have been closed by authority of Canadian Transport Commission: St. Benoit, St. Jacques, Marieville, St. Placide, Beauharnois, Nicolet, St. Andrews East, Chambly, and, it is proposed to dispose of the buildings through public advertisement. At many locations Station Agents have been replaced by an On-Hand Representative or by a Caretaker who continues to provide the service required at each location. At stations where passenger traffic is very limited planning is in progress to replace the station building with another structure more suitable to meet customer requirements.

4. Telephone zenith service is available at locations where a Station Agent was previously employed. Customers can dial a Servocentre serving the territory and obtain the desired information at no additional cost. Telegraphic services are made available in a similar manner offering a 24 hour service, seven days per week.

5. Subject to CTC approval for closure of the station at Ile Verte, and On-Hand Representative will handle Express requirements. Other services will be available via zenith telephone. Passengers may purchase tickets on board the train or through the Rivière-du-Loup-Rimouski Servocentre on advance notice, with tickets being mailed to the customer, or they may be purchased from on open agency.

1975-76 SUBSIDIARY AGREEMENT ON HIGHWAYS

Question No. 5,250—**Mr. Marshall:**

As a result of the 1975-76 subsidiary agreement on highways between the government and the Province of Newfoundland, amounting to $22 million, what highways' work (a) was carried out (b) remains to be carried out in the present year?

Mr. Cliff McIsaac (Parliamentary Secretary to Minister of Regional Economic Expansion): The reply for the Department of Regional Economic Expansion is as follows: Under the 1975-76 Highways Subsidiary Agreement between the Department of Regional Economic Expansion and the Government of Newfoundland; (a) All contracts for highway construction as outlined in the schedule of cost to the Agreement were awarded, and construction to the value of $18.3-million was completed prior to the expiration of the 1975-76 fiscal year; (b) The remaining construction under these contracts (to the value of $3.7-million) will be completed in the 1976-77 fiscal year.

OLD AGE SECURITY ACT—SPOUSE'S ALLOWANCE

Question No. 5,254—**Mr. Knowles (Winnipeg North Centre):**

1. Since the inauguration of the Spouse's Allowance under the Old Age Security Act, how many Allowances, in each month, have been granted and how many are now being paid?

2. What is the average amount paid in the latest month for which records are available?

3. Since the inauguration of the Spouse's Allowance, how many Allowances, in each month, have been cancelled because of the death of the older spouse?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1.

Order Paper Questions

Month	Number Spouse's Allowance Granted	Total
October, 1975	7,901	7,901
November, 1975	28,770	36,671
December, 1975	5,567	42,238
January, 1976	3,679	45,917
February, 1976	4,476	50,393
March, 1976	3,801	54,194

2. $136.92, as of March, 1976.

3. October, 1975, 108; November, 1975, 149; December, 1975, 174; January, 1976, 197; February, 1976, 204; March, 1976, 200.

AIR CANADA PASSES

Question No. 5,266—**Mr. Cossitt:**

Have the wives or any members of the families of any Deputy Ministers or other senior public service officials travelled on Air Canada with passes or any other type of free transporation with Air Canada during 1975 and 1976 and, if so, what are the names of such persons along with the job designations of their spouses?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The management of Air Canada advises as follows: Each year, a number of individual trip passes are issued, in accordance with CTC regulations, to spouses of some government officials who hold annual passes on Air Canada. These individual trip passes allow the spouses to accompany the official on certain specific occasions. Records of these issues, unlike those relating to Cabinet Ministers' spouses, are included with other general pass issues, and it would require an inordinate amount of clerical time and cost to search for and find the information.

HELICOPTER SERVICE BETWEEN DORVAL AND MIRABEL AIRPORTS

Question No. 5,308—**Mr. Cossitt:**

Has the government given any consideration to the establishment of passenger and baggage helicopter service between Dorval and Mirabel Airports to facilitate quicker and easier passage of passengers making connecting flights and, if not (a) for what reason (b) will the matter be given consideration?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Transport Canada has not given any consideration to the establishment of passenger and baggage helicopter service between Dorval and Mirabel Airports. (a) Reasons: (i) A bus service is already being provided by the Montreal Urban Transportation Committee, scheduled every half hour between 1330 and 2330 (peak period at Mirabel) and every hour between 0600 and 1300, for a total of 29 return trips per day; (ii) Current departmental policy leaves the provision of all such services open for competition; to this date there has been no application by private companies. (b) Future Considerations: Transport Canada has no intention of changing current policy with respect to the provision of such services. However consideration will be given to provision of services by other modes.

[Mr. Lalonde.]

MAGI CORPORATION

Question No. 5,356—**Mr. Forrestall:**

1. What is the government's actual cash contribution to date in respect of the MAGI Corporation in Halifax-Dartmouth?

2. How much has been spent on (a) administration (b) grants or loans of any type to the private sector made pursuant to the articles of incorporation?

3. On what date was the Corporation established?

4. Does the government expect the Corporation to be in operation (a) before (b) after the date of the next general election?

5. What factors are presently restraining the Corporation's operation, if any?

Mr. Cliff McIsaac (Parliamentary Secretary to Minister of Regional Economic Expansion): The reply for the Department of Regional Economic Expansion is as follows: 1. March 29, 1973, $5,001,000 in share capital; March 30, 1973, $4,999,000 loan to Nova Scotia.

2. (a) A total of $3,168 was spent on administration to the end of the 1974-75 fiscal year. The audited statement for FY 1975-76 will be available shortly; (b) MAGI had not made any loans or grants to the end of the 1974-75 fiscal year.

3. The agreement with Nova Scotia to establish MAGI was signed September 22, 1972; consequential memoranda and articles of association were signed with the Province on March 21, 1973; and Mr. Haysom was appointed chief executive officer of MAGI on September 26, 1975.

4. MAGI is now operational.

5. Not applicable.

APPLICATIONS FOR EMPLOYMENT ON RIDEAU CANAL

Question No. 5,396—**Mr. Cossitt:**

How many persons have applied for employment on the Rideau Canal since January 1, 1975 and of these (a) how many were residents of the constituency of Leeds (b) how many were hired (c) how many were interviewed and by whom (d) what is a full description of the hiring methods of Rideau Canal officials (e) were any hirings made on the basis of politics and, if so, how many (f) were any representations whatsoever received from Liberal Party Associations or Liberal Party Executive members in respect to any persons hired and, if so, from whom were such recommendations received and who were the persons subsequently hired?

Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development): 651; (a) 102; (b) 282; (c) 529 interviewed by area superintendents and area supervisors; (d) hiring methods—Public Service Commission Acts and Regulations on hiring; (e) No hirings were made on a political basis; (f) No.

DREE—COST OF ANNUAL REPORTS

Question No. 5,419—**Mr. MacKay:**

1. What was the cost of producing the Annual Reports of the Department of Regional Economic Expansion in 1974 and 1975?

2. (a) Were the publications printed by the Department or by a private firm (b) if contracts were let, were public tenders called?

Mr. Cliff McIsaac (Parliamentary Secretary to Minister of Regional Economic Expansion): The reply for the Department of Regional Economic Expansion is as follows: 1. Refer to recently-tabled responses to Questions 5,034 and 5,036.

2. (a) The 1973-74 report was printed by the Canadian Government Printing Bureau. The 1974-75 Report and Review was printed by a private firm; (b) The printer was selected through regular Department of Supply and Services public tendering procedures.

MANITOBA GOVERNMENT AIR DIVISION LICENCES

Question No. 5,422—**Mr. Epp:**

1. Has the Air Transport Committee issued a Class 7 specialty licence to the Manitoba Government Air Division?

2. Has the Committee issued a Class 4 licence for charter to the Manitoba Government Air Division?

3. Is the Manitoba Air Division presently a holder of a licence that qualifies it to engage in charter work?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): 1. Yes, Licence No. A.T.B. 310/47(C).

2. No.

3. Yes; however, the licence was issued as Class 7, pursuant to Section 6 of the Air Carrier Regulations, as the service being provided is not compatible in its entirety with the definition of a Class 4 Charter commercial air service. By the terms of the licence, the Licensee is expressly prohibited from providing any form of commercial air service other than the following: (a) Flights required in connection with the health and welfare of the Indian population in Manitoba; (b) Transport of Government officials and staff of the Province of Manitoba; (c) Emergency service for isolated areas within the Province; (d) Transport of Federal Government personnel on passenger/mile basis only when the services of such personnel and their transportation is being paid by the Province of Manitoba and/or in exceptional circumstances where there is no adequate scheduled or non-scheduled services available to render the desired transportation; (e) Transport of members of the R.C.M. Police on Federal Government business in isolated areas only when a planned commercial flight or other means of transportation on which passage has not been booked requires a delay of more than 24 hours and no additional flying or landings are required to perform such transportation. In exceptional circumstances where there is no adequate scheduled or non-scheduled services available to render the desired transportation, such provision of transportation will be undertaken only with the authority of the Director of Air Service or the Deputy Minister of Mines and Natural Resources, and all such flights will be reported to the Committee on a monthly basis. The Licensee is restricted in its operations to Groups A, B and C aircraft (i.e.,—aircraft not in excess of 18,000 pounds maximum take-off weight on wheels).

MIRABEL AIRPORT—DE-ICING FACILITIES

Question No. 5,439—**Mr. Herbert:**

1. Was the tender call for the control aircraft de-icing facilities at Mirabel International Airport cancelled before the stated time for the opening of tenders?

2. Were any tenders received opened by officials of the Department of Transport?

3. What is the practice or procedure followed concerning tender documents received prior to the (a) cancellation of a tender call (b) announcement of an extension of time for the receipt of tenders?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): 1. The tender call for the aircraft de-icing facilities was scheduled to close on November 21, 1975. The tender call was cancelled by a telegram to interested parties on November 20, 1975.

2. No tenders were received.

3. (a) Tender documents received prior to the cancellation of a tender call are returned unopened; (b) Tender documents remain sealed until the officially published tender closing time. Tender documents received prior to the announcement of an extension of a tender call may be withdrawn at the option of the tenderer so that he may resubmit his tender to reflect any changes that he may deem advisable. The tenderer could also elect to leave his tender with the Department and amend his bid by registrered letter prior to the tender closing time.

CEMA

Question No. 5,451—**Mr. Beatty:**

1. When will the Minister of Agriculture appoint a third member to the three-man body overseeing the operations of CEMA?

2. Did the Minister appoint Mr. John Hyde Chairman to the body overseeing the operation of CEMA and, if not, who did?

Hon. E. F. Whelan (Minister of Agriculture): 1. A number of individuals have been interviewed and an appointment will be made as soon as possible.

2. No. CEMA elected Mr. Hyde to act as temporary Chairman until a new one is appointed by the Minister.

COST OF TRIPS MADE BY MINISTER OF AGRICULTURE

Question No. 5,474—**Mr. Cossitt:**

With reference to the answer to Question No. 3,240 which stated in part that one specific trip made by the Minister of Agriculture, his wife and members of his family cost the taxpayers $13,965, does this represent the average cost of each of the 32 trips made by the Minister and his family at public expense since January 26, 1973?

Hon. E. F. Whelan (Minister of Agriculture): No.

NUMBER OF TAKEOFFS AND LANDINGS BY SCHEDULED AIRCRAFT

Question No. 5,483—**Mr. Stevens:**

For the years 1973, 1974 and 1975, by quarter, what were the total number of (a) takeoffs (b) landings by scheduled aircraft at (i) Toronto International Airport, Terminal 1 (ii) Montreal International Airport (Dorval) (iii) Montreal International Airport (Mirabel)?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): The following table contains statistics on scheduled air carrier aircraft movements for 1973, 1974 and 1975. The data are presented on a quarterly basis for (i) Toronto International Airport; (ii) Montreal International Airport (Dorval); (iii) Montreal International Airport (Mirabel). The data in the table are for takeoffs plus landings. On a quarterly basis, there is a negligible difference between the number of takeoffs and of landings.

Therefore, the numbers presented can be divided by two to obtain either takeoffs or landings.

NOTE: Figures that appear for Toronto International Airport include scheduled traffic associated with both Terminal 1, Terminal 2, and the cargo terminal, as the same runways serve all terminals.

QUARTERLY TAKEOFFS AND LANDINGS BY SCHEDULED AIR CARRIERS

	Toronto Int'l	Montreal Dorval	*Montreal Mirabel
1973			
1st qtr	33,106	26,347	Nil
2nd qtr	33,747	28,713	Nil
3rd qtr	34,826	30,629	Nil
4th qtr	33,786	29,540	Nil
Total	135,465	115,229	Nil
1974			
1st qtr	34,393	28,016	Nil
2nd qtr	33,826	28,280	Nil
3rd qtr	37,582	28,294	Nil
4th qtr	35,691	26,531	Nil
Total	141,492	111,121	Nil
1975			
1st qtr	33,560	26,244	Nil
2nd qtr	34,158	27,084	Nil
3rd qtr	35,502	28,609	Nil
4th qtr	33,442	24,870	2,026
Total	136,662	106,807	2,026

*Data for Montreal-Mirabel contains the activity for December 1975. Scheduled commercial flights commenced in late November 1975. Please note that totals may differ very slightly from published annual numbers due to adjustments in monthly figures for the annual publications.

QUESTIONS NOS. 3,801 AND 3,802

Question No. 5,526—Mr. Cossitt:

With reference to the answer to Question No. 3,801 concerning $36,000, paid under contract to a language training school by Statistics Canada for which no services were received and with reference to the answer to Question No. 3,802 concerning failure of the CBC to record an amount of $14,053,000 interest owed on government loans in its 1975 financial statement and with reference to the answer to Question No. 3,803 referring to losses amounting to $40,000 and $48,000 to the Post Office Department on December 7 and 10, 1974 as a result of two forged certified cheques in payment of postage stamps and the subsequent answers thereto which stated such questions should be asked before the Standing Committee on Public Accounts (a) has it now become government policy that standing committees have priority over the House of Commons insofar as the asking of questions is concerned (b) is this the beginning of a new government policy to eliminate the asking of Order Paper questions in the House of Commons?

[Mr. Goodale.]

Hon. Mitchell Sharp (President of the Privy Council): (a) It has always been government policy to comply with the rules and practices of Parliament. Beauchesne's Parliamentary Rules and Forms has for many years been considered to be an authoritative guide in these matters. Citation 171(hh) of the fourth edition of Beauchesne clearly indicates that questions, oral or written, must not "seek information about proceedings in a Committee which has not yet made its report to the House."; (b) See answer to part (a) above.

[*Translation*]

Mr. Blais: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

* * *

MOTIONS FOR PAPERS

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would you be so kind as to call notices of motions for the production of papers Nos. 100 and 101?

[*Text*]

COPIES OF CORRESPONDENCE ON PROPOSED SWINE INFLUENZA VACCINATION PROGRAM

Motion No. 100—**Mr. Yewchuk:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence and minutes of meetings between the Minister and officials of the Department of National Health and Welfare and the ministers and officials of the various departments of health of the provinces on the implementation of a national swine influenza vaccination programme.

[*Translation*]

Mr. Bob Kaplan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, considering the urgency of the action required following the meeting held on March 23 by the National Advisory Committee on Immunizing Agents (see Statements and Recommendations by this committee, tabled on March 30, Sessional Paper No. 301-7/51), no correspondence or minutes of meetings have been exchanged between, on the one hand, the minister and the officers of the Department of National Health and Welfare and, on the other hand, the ministers and agents from the various provinces concerning the implementation of the national swine influenza vaccination program. Consultations were made by telephone at that time.

[*English*]

In view of this, I request the hon. member to withdraw his motion.

Mr. Speaker: Order, please. Perhaps this notice of motion for the production of papers might be allowed to stand until the next time such motions are called. Is this agreed?

Some hon. Members: Agreed.

Motion stands.

[*Text*]

COPIES OF CORRESPONDENCE RELATING TO SWINE INFLUENZA VACCINE

Motion No. 101—**Mr. Yewchuk:**

That an Order of the House do issue for copies of all papers relating to calculations by means of which the Minister of National Health and Welfare arrived at his estimate for the cost of swine influenza vaccine at $0.60-$1.00 per dose.

[*English*]

An hon. Member: Stand.

Motion stands.

Mr. Speaker: Shall the remaining notices of motions for the production of papers be allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed from Thursday, May 27, consideration of the motion of Mr. Macdonald (Rosedale) that this House approves in general the budgetary policy of the government, and the amendment thereto of Mr. Stevens (p. 13901), and the amendment to the amendment of Mr. Saltsman (p. 13905.)

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I should like in my remarks today to provide further information regarding the budget announcement relating to employment matters, to deal with some of the unfounded criticisms which have been raised, and to outline the government's views regarding an employment strategy for Canada. I will try to condense my remarks into the 30-minute period allotted, but may need to ask the indulgence of the House for a few minutes of extra time.

May I put the employment aspects of the budget in context by reminding hon. members that the June, 1975, budget announced a two-year program of expanded manpower activities. We are currently in the second year of that program and our regular manpower budgets are being augmented as follows: first, there is a $40 million increase in institutional and industrial training bringing the total available for training in the fiscal 1976-77 to $522 million, and enabling the training this fiscal year of over 305,000 Canadians; second, there is an additional $2 million for our mobility program, expanding our budget in 1976-77 to $13.7 million. This enables us to undertake the permanent relocation of 15,000 families, and covers other mobility grants to between 40,000 and 45,000 workers. Next, there is an enrichment of our job finding and placement services, costing an extra $3 million, and involving an additional staff of 150 for our Canada Manpower centres. Finally, there is a $100 million job creation program for next

winter. It is untrue to say we are doing nothing this year for the unemployed.

We are continuing to analyse the labour market prospects and are carefully considering whether additional funds should or could be provided. In the meantime, plans are proceeding, based on the approved level of financing. I shall announce the details of the 1976-77 Local Initiatives Program in a few days.

While not minimizing the seriousness of the situation during the present fiscal year, 1976-77, I should like to focus my remarks today primarily on the longer term employment problems and prospects of our country for 1977 through to 1981.

Mr. Stanfield: Where is your crystal ball?

Mr. Andras: I am about to look into it.

Mr. Stanfield: I cannot see it.

Mr. Andras: Our best estimate is that labour force growth will be somewhat less over the next five years than it was in the past ten years, but I caution that labour force forecasts are extremely hazardous. We know fairly well how many youths will come into the labour market each year and we know how many workers will retire or die. We can and we will control immigration. However, we cannot accurately forecast what will happen to participation rates. Moreover, we know that while we have a labour force of about ten million people at any given time, there are actually closer to 13 million Canadians who work during the year, and almost five million job changes. How many of these part-time or intermittent workers will become or even want to become full-time regular employees, we just cannot tell with precision, but we can make some rough forecasts based on certain assumptions.

● (1510)

First, we are assuming a somewhat slower growth in participation rates than over the past few years. We are also assuming a reduction in immigration from a gross level of about 200,000 in the last two years to under 150,000. With these assumptions, we forecast labour force growth at from 1.1 million to 1.2 million over the next five years.

We also forecast that employment growth will exceed labour force growth by about 100,000. That will bring unemployment down only gradually. That is of great concern to us, and the government is therefore committed to reducing—

An hon. Member: Is that five years?

Mr. Andras: 1977 through 1981, five years, yes. The government is committed to reducing this unacceptable level of unemployment by direct job creation and other measures which I will outline today, and in more detail in the fall session.

Our goal is not necessarily a 5½ per cent or even 5 per cent unemployment rate. Our goal is the fullest employment rate possible in light of inflationary pressures and the international economic situation. It must be realized, as the Economic Council of Canada recently pointed out, that unemployment in Canada is not as simple or as comprehensible as it once was. There is an over-all shortage of

jobs, but a significant proportion of current unemployment is caused by structural problems, problems such as the particular difficulties of youth, of women, of native peoples, the handicapped, or regional economic disparities, and skill mismatches.

Some unemployment, which we call frictional unemployment, results from the sheer dynamism of the labour market which even in the best of economic times always has some people between jobs. Some other unemployment is the effect of our lessening but still significant seasonal labour market fluctuations.

We analysed the available data. We concluded that the 1975 unemployment rate of about 7 per cent was composed roughly of four percentage points of frictional and structural unemployment, 2.7 percentage points of cyclical unemployment, and about .3 per cent of seasonal unemployment. We therefore see that over half of our unemployment is due to frictional and structural causes. This situation simply cannot be solved by any one program or policy nor by simplistic generalized solution. It requires an array of more fully developed and precisely aimed manpower programs focusing specifically on each element of the unemployment total.

It is clear that we must improve and expand our policy and programs to create jobs, to provide occupational training and mobility, to help the disadvantaged and the handicapped and to help young people bridge the growing gap between school and work. We have been developing comprehensive and effective manpower programs and services, but let's face the fact that, frankly, the costs are enormous.

It takes about $200 million to shave less than one quarter of a percentage point from our unemployment rate for a full year by putting the unemployed into training or job creation projects.

To reduce our current unemployment to 5 per cent would cost about $2 billion more per year using training, and a local initiatives type program which is by far the cheapest available to government.

We have scoured the world and we have concluded that the best job creation approach is one which does the following: first, expands the stock of regular jobs in the private sector as much as possible without generating a new round of inflation; second, maximizes our utilization of existing jobs by improved manpower services, mobility and training, and by a tighter control of immigration.

We are doing all these things, and in 1976 we shall receive 40,000 to 50,000 fewer immigrants than in 1975, and tighten up our issuance of employment visas to temporary workers.

An hon. Member: That is not what the Prime Minister (Mr. Trudeau) said.

Mr. Andras: It is what the Prime Minister (Mr. Trudeau) said. I heard him last night. I say that in spite of the lead story of the CBC. I suggest that the hon. member obtain a transcript before making any further comments.

Third, we want a plan that creates as many jobs by direct job creation programs as we can afford, at the lowest possible overhead cost, and with the least possible disruption of the regular private sector labour market.

[Mr. Andras.]

We need resources to do the job. We need money. We also need a new policy approach and employment strategy. Our labour market is too dynamic and our problems too complex and fluid to be able to afford a fragmented, inefficient approach to employment policy and to the organization of the labour market.

That is why we are merging the UIC and the Department of Manpower and Immigration into the new Commission and Department of Employment and Immigration, and that is why I propose that the new organization should benefit from the continued and strengthened participation of business and labour in its work, both at the national policy level and at the local operational level. I shall have more to say about this when I introduce a bill in the next session of parliament to authorize the integration.

For the same reason I feel strongly that the activities of all levels of government in the labour market must be better co-ordinated. I have recently met with my provincial colleagues and we are unanimously agreed on this point. We plan to meet early in the fall to deal with a number of major issues involving not only the effectiveness of federal efforts and plans, but also such matters as the growing concern about the lack of effective linkage between the worlds of school and work which contributes to our high unemployment among youth in Canada.

With this strong institutional base, and co-operation with the private sector and between governments, we can reduce our employment problems in Canada if we can find the resources to do so, and I shall try to explain how resources might be made available.

I have long been concerned about the anomaly in Canada of substantial numbers of unemployed people receiving income maintenance on the one hand while there is a great deal of public work and training which needs to be done, and a shortage of public funds to do it. For that reason, I have proposed an amendment to the Unemployment Insurance Act which will allow the government to develop programs whereby Canadians who are in receipt of unemployment insurance can participate in public employment programs and occupational training.

The principle underlying this proposal is that unemployment is costly not only for our economy and society but most particularly for the worker who loses his or her job. Idleness brings loss of skills and of confidence, and erodes the worker's feeling of participating in his community. While he needs, and has a right to, income maintenance, we would like to be able to offer him something more.

● (1520)

We are now developing job creation models in which workers who are likely to be unemployed and on unemployment insurance for some months would be invited to participate in activities of social value for the betterment of their communities. We have in mind projects which could utilize many of the best features of earlier Local Initiatives Programs but which could be tailored more carefully to the needs of the individual and the community. There could be included arrangements for the individual to spend some time in a continued job search and in job counselling.

Our plan would be to have participants continue to receive U.I. benefits and we would provide other moneys,

for example, for cost of work allowances and project overhead costs, from additional moneys which would have to be voted for this purpose.

Some people are repeatedly on unemployment insurance because they lack basic job skills and they would benefit from occupational training or retraining. There is already some integration of unemployment insurance and training allowances but the system is complex, and unfortunately the training program cannot accommodate all who need training. We have been experimenting in Newfoundland with a pilot scheme to use unemployment insurance more productively in financing training, and our experience to date warrants expansion of such projects.

Another potential developmental use of unemployment insurance is the short work week. A well-established system in Europe enables enterprises which propose to lay off part of their work force to retain all workers on the job but on shorter hours, with allowances being paid in respect of the difference between the hours worked and the normal work week. Naturally it would require the co-operation and agreement of both company and union, and initially it would be done on a very selective basis. It has the great advantage of maintaining job attachment and skills of workers during temporary business downturns.

Other aspects of the unemployment insurance program also require change, primarily for reasons of equity and to promote a more effective labour market. In the course of our comprehensive review of the unemployment insurance program we have identified certain categories of workers for whom present coverage can be regarded as inappropriate.

The efficiencies and savings in the unemployment insurance program which we will be able to achieve if parliament approves our proposed changes will provide us with additional resources to devote to the prevention and alleviation of unemployment—and that is how we intend to use those resources. Mr. Speaker, Canada has one of the most efficient and comprehensive unemployment insurance programs in the world, but it must constantly be adapted to meet changes in society and in the labour market. The proposed amendments to the Unemployment Insurance Act announced in the budget are designed to make that program more effective in protecting Canadian workers from the economic impact of unemployment, without in the process unnecessarily spending money which would be better allocated to employment programs.

During our comprehensive review of the unemployment insurance program we devoted particular attention to the benefit structure which in many respects is the core of the legislation. Based on our own analyses and the advice and comments we have received from many private organizations and individuals, we reached the conclusion that a recasting of the benefit structure is now in order.

The proposals we have in mind are designed to enhance motivation to work, to achieve a greater degree of simplicity, and to provide more equity. A greater degree of simplicity will be obtained by reducing the number of phases from the present five to three. There will be a more equitable relationship between the number of insured weeks and benefit entitlement in the initial benefit period. Greater equity will result from eliminating the national unemployment rate as a trigger for extended benefits, and basing regional extended benefits entirely on regional unemployment rates which are a better indication of the difficulty of obtaining and retaining employment.

While the benefit entitlement of those with a shorter labour force attachment will in general be curtailed, adequate income protection will continue to be provided for those with longer labour force attachment and for those residing in regions with high unemployment rates.

In summary, the benefit structure based on three phases of initial phase, labour force attachment phase, and regionally extended benefits phase will be designed to provide continuing adequate income replacement during periods, and in regions of high unemployment, but will result in curtailed benefits and reduced costs at lower rates of unemployment.

We also propose to increase the minimum entrance requirement for the unemployment insurance program from eight to 12 insured weeks. The purpose of this amendment is to bring unemployment insurance more in line with realistic principles of social insurance programs and with the realities of the labour market. The Canadian unemployment insurance program now ranks among the best and most generous in the world. At eight weeks our entrance requirement is the most generous in the world, and we will still be among the most generous national schemes at 12 weeks. Since the announcement of this proposal I have been gratified by the reaction in the Canadian press and from many people in both the private and public sectors.

Mr. Broadbent: Chambers of Commerce!

Mr. Andras: No, not Chambers of Commerce.

Mr. Broadbent: Name one provincial government, then!

Mr. Andras: Yes, I can. I will get the documentation about which I talked to the hon. member the other day.

However, in the past few days we have also heard from a wide array of critics who have either stated or implied that the government intends to throw 330,000 persons off the unemployment insurance rolls and on to the provincial and municipal welfare rolls.

Mr. Peters: That is right.

Mr. Andras: The alleged impact of our proposal has been denounced as tampering with a very fine unemployment insurance program at a time of high unemployment, and simply shifting the burden of cost on to the provinces. These critics have based their statements on a complete misunderstanding of the facts of the situation, which I would like to clarify.

Mr. Peters: Talk to Mackasey and Herb Breau.

Mr. Andras: Reference has been made to a figure of 330,000 individuals who would be affected by the increased entrance requirement. It is essential to interpret this figure correctly. It is an estimate of the total number of individuals who, on the basis of eight to 11 weeks of insured earnings, would receive benefits during the whole of 1976 at an unemployment rate of 7 per cent. This does not mean, as has been alleged by many commentators, that

at any moment of time in the year 330,000 people would be affected. Because the average duration of benefits extends only for a portion of the year—17 weeks—at any moment in time only about 100,000 individuals would be affected. It is nonsense and irresponsible to argue that all of these individuals will, as a result of a higher entrance requirement, be prevented from receiving benefits and will be, in fact, taken off the unemployment insurance rolls.

Based on our analysis of the work behaviour patterns of the "eight to 11 weekers," we have estimated that a substantial number of them, indeed between 40 and 50 per cent, will be able immediately or within the qualifying period to work for the additional four weeks and thereby qualify at the higher entrance requirement. This in fact means that at any moment of time only abo ıt 50,000 individuals nationally would not be able to receive benefits.

Particular concern has been expressed about the Atlantic provinces where employment conditions are less favourable. In these provinces we estimate that at any point in time only 10,000 individuals would not be able immediately to find 12 weeks of insured earnings.

In order to assess the impact of the higher entrance requirement on the 50,000 individuals in Canada as a whole, or the 10,000 individuals in the Atlantic provinces, it is essential to bear the fundamental characteristics of those individuals in mind. The overwhelming majority of them, indeed about 80 per cent, have no dependants. This would mean that of those excluded from benefits at any point in time, only 10,000 individuals in Canada as a whole, or 2,000 people in the Atlantic provinces, would have dependants.

● (1530)

Moreover, the eight to 11 weekers, as we call them, are approximately four years younger on average than the remainder of the claimants. Almost half of them are under 25 years of age. Many of the eight to 11 weekers are in fact secondary earners, such as working wives and young persons living at home. They are members of families who already have a main breadwinner. Studies have shown that in many cases these families have incomes in the middle and higher ranges.

As a result of this analysis, Mr. Speaker, it is quite clear that very few of the eight to 11 weekers will find it necessary to turn to welfare. Moreover, it is our intention to direct our developmental programs of training and job creation to those individuals and areas requiring assistance to establish more stable employment patterns.

Furthermore, I want to make the point that a study of 1974 claimants found that 64 per cent of the group with eight to 11 weeks' attachment at that time had dropped out of the labour force one year later, by March, 1975. We did not know these facts before; these figures have all come out of the recent analysis. Many of these people subsequently re-entered the labour force and worked for a sufficiently long period of time to establish another unemployment insurance claim. In other words, many of this group are particularly prone to move in and out of the labour force, in and out of jobs, on and off claim, and apparently suffer little or no hardship.

[Mr. Andras.]

Contrary to the popular impression, Mr. Speaker, seasonal employment patterns are not the prime cause. Only 30 per cent of the eight to 11 weekers have established a seasonal type repeat pattern. This compares with 43 per cent for those with major labour force attachments. Our belief that claimants with eight to 11 weeks of insured employment have little difficulty moving in and out of the labour force has been reinforced by other statistics. For example, eight to 11 weekers have a greater tendency to draw down their full entitlement under the act than the claimants with 12 or more weeks of insured employment. However, we cannot really conclude from this that things are tougher for them; quite the contrary. A 1973 survey showed that 70 per cent of all eight to 11 weekers have found work within six weeks of exhausting their benefits. And what happened to the remaining claimants who did not find a job after six weeks? This is the welfare question.

Despite the fact that of all UI claimants, exhaustees could be assumed to be the most needy—"exhaustees" are those people who have run out their full entitlement—it was found that only 8 per cent of exhaustees resorted to welfare, or less than 2 per cent of the total unemployment insurance claimants.

These figures may be taken as an indication of two things. First, eight to 11 weekers who want or need to take another job tend to find one very quickly once UI benefits are no longer available. Secondly, many of those who do not find a job do not do so because they were not seriously tied to the labour force in the first place.

Some critics have pointed to the fact that eight to 11 weekers tend to be low wage earners, and that is quite true. But these claimants usually have no dependants, as I have indicated; they are usually young, mobile, and generally more successful in finding new employment, and are often secondary workers and members of middle to higher income families. I think that places the fact that they are also low wage earners in an entirely different perspective.

Critics have said that this proposal for a 12 week entrance requirement will hurt the Atlantic provinces or hurt Quebec. I can assure hon. members from high unemployment areas that we will tilt our expanded manpower programs and services so that the unemployed in those areas will not suffer financially from this change but in fact will gain from the productive impact of these enhanced programs.

What is the effect on the cost of the unemployment insurance program of providing coverage to a group with such an unstable and marginal attachment to the labour force, a group which can move in and out of employment and in and out of the labour market, suffering little economic consequence? This is the effect, Mr. Speaker. The cost ratio of claimants with eight to 11 insured weeks is 20 times the ratio for the average claimant. I believe that this money could be better spent. I believe that priority and funding should go to programs which deal more directly with the underlying problems of the labour market.

It is and always has been one of the primary concerns and purposes of the unemployment insurance program to help workers maintain a steady, constant connection with the labour market. In retrospect, Mr. Speaker, now we have the experience and the analysis of five to six years under our belt, I think that the eight week entrance

requirement has not been successful in furthering this goal and in fact has created a disincentive in the labour market.

I recognize, Mr. Speaker, that there may be some genuine hardship for a few in this group. In order to keep off welfare any eight to 11 weekers who are in genuine difficulty in finding and keeping steady employment, surely it would be much more appropriate to develop and strengthen special job creation, job counselling, and mobility programs targeted to specific groups and specific areas, and tailored to suit the needs of youth and marginal attachees to the work force. These new or expanded programs will, in my opinion, give the right kind of help to any eight to 11 weeker who really needs help.

It should also be stressed that even with the higher number of weeks of insured employment, Canada's entrance requirement for unemployment insurance will remain, apart from The Netherlands, the most generous of any industrialized country in the world. For example, Sweden's entrance requirement is based on 12 months of contributions, five being within the last year.

Mr. Broadbent: But what has been their average unemployment level over the last ten years?

The Acting Speaker (Mr. Turner): Order. I regret to interrupt the minister but his allotted time has expired. He may continue with the unanimous consent of the House. Does the minister have unanimous consent?

Some hon. Members: Agreed.

Mr. Andras: In the United Kingdom 26 weeks in the previous year are required for minimum benefits, and 50 weeks for maximum benefits. In Germany the entrance requirement is 26 weeks within the last three years.

Mr. Broadbent: They have 1.5 per cent unemployment too.

Mr. Andras: This package of proposed amendments to the Unemployment Insurance Act will also bring about a change in the severance pay provision. The existing UI regulations treat severance pay as earnings for the purpose of unemployment insurance benefits. We have examined this and I feel that there is a very good reason to treat severance pay as a form of deferred savings which are accumulated during the period of employment.

The fact is that many employers and unions are able to work out mutually satisfactory arrangements for the purpose of getting around that existing regulation, so I think it should be revoked. Other amendments are designed to increase the incentive to work, for example, with respect to the so-called "four week rule". This rule now means that an individual who does not receive extended benefits for four weeks or more has his claim permanently terminated. Experience has indicated that this rule has clearly served as a deterrent for claimants to return to short-term work that last longer than four weeks, so therefore we propose to eliminate it.

They are the major changes that I propose to make in the unemployment insurance program at this time. The primary purpose of the changes is to promote a more equitable and effective labour market and to free funds for more productive use in job creation and training. With these funds, and the potential flexibility offered by the other amendments to the Unemployment Insurance Act, I expect to be able to recommend to my colleagues an employment strategy for the years ahead which would include these elements: a new, year-round, multi-faceted, direct job creation program which would build on the successes of earlier Local Initiative Programs; take account of the proposals of the Economic Council and others; and attack cyclical, seasonal, area-specific, and, to some extent, structural unemployment, in ways tailored to local needs and targeted to areas and groups suffering high unemployment.

● (1540)

For example, unemployed heads of families not eligible for unemployment insurance would be given a special priority in entry to this program, which would include a creative linkage of all labour market programs, particularly the more productive use of unemployment insurance in developmental activities; a strategy for youth employment covering not only student summer employment but the more serious and pervasive problems of unemployed school dropouts and graduates; it would require expanded training and mobility programs, and other employment policies which respond to the needs of particular groups of workers and employers, and which support economic and manpower adjustments and productivity improvement.

I have outlined today a number of legal and institutional changes which will facilitate, in my opinion and in the opinion of the government, a more effective employment policy in this country. I will be announcing details of that policy in the months to come, and in the meantime I truly invite hon. members' ideas and suggestions and will welcome them. This is going to require a lot of work and it will be a difficult exercise with all the interfaces we have to examine. I must emphasize again that we need amendments to legislation to give effect to this policy and to secure the necessary financial resources.

Some hon. Members: Hear, hear!

Mr. Peters: Mr. Speaker, before the minister resumes his seat I should like to ask if he would give an indication—

The Acting Speaker (Mr. Turner): Just a minute. Order, please. Will the minister entertain questions from two Progressive Conservative members and one New Democratic Party member in order that the time can be taken off for those questions?

Mr. Andras: If the House wishes.

Mr. McGrath: Mr. Speaker, I have a very brief question for the minister. In the course of his speech he gave an undertaking, indeed I think he used the word "guarantee", that no one in any high unemployment area would suffer as a result of the proposed amendment to the Unemployment Insurance Act changing the qualifying period for eight weeks to 12 weeks. Can the minister tell us if he intends to lay these programs before the House before he brings in the amendment to the bill, and when can we expect to see these programs which will ease some of the potential hardship of this measure?

Mr. Andras: Mr. Speaker, I will be in a better position to give the hon. member, and I am not hedging, the full

details probably when the legislation is introduced in the fall. But I reiterate, and I think you can probably see exactly what I said if you want to look at Hansard—I do not want to equivocate as I do not have it here, but at the fall session we would see the legislation coming in for both the integration and the developmental use and the UI amendment, and whatever other authority we may require for the job creation projects. I doubt very much if the implementation of the UI amendment to which the hon. member is referring could possibly become effective until early next year, this is around January; this is my best guess now. By that time I hope to have in place and place before the House an understanding of the developmental programs I have talked about today.

Mr. Peters: Mr. Speaker, I would like to ask the minister if at some time he would table or make available the statistics about the UIC assignments which have been made in that category of the young worker in relation to the eight weeks.

Mr. Andras: Mr. Speaker, perhaps the hon. member would clarify what he means precisely by "assignments".

Mr. Peters: In many of our northern areas people have to go on welfare because they do not have the money for the eight weeks, and the UIC has an assignment which it makes in respect of welfare. Would the minister give us an indication of how many in that age group during the eight weeks would in fact be applying for and receiving welfare, and then paying it back from unemployment insurance?

Mr. Andras: Mr. Speaker, I will do my best to make that information available to the hon. member.

Mr. MacDonald (Egmont): Mr. Speaker, inasmuch as it was recognized by the Minister of Finance (Mr. Macdonald) in his budget presentation, and again by the Minister of Manpower and Immigration (Mr. Andras) this afternoon, that there is recognition under these new proposals of the benefit structure with regard to the regional unemployment situation, for which I commend the minister, I wonder whether he can give some indication, since the qualification period is to be raised from eight weeks to 12 weeks—at the present time the figures I have looked at show that those who would fall most heavily in that group are in areas of chronic high unemployment, plus areas which have industries which are largely seasonal; I think for instance of the major industries in the Atlantic provinces such as fisheries, tourism, and agriculture, which by their very nature offer short-term employment, in fact even less than the new 12-week qualification period proposed by the minister—of any definite plan he has in mind in respect to flexibility in this area? Or can he offer any particular guarantee that the people who are available for employment, but because of their attachment to seasonal industry will simply not be able to obtain employment, will have a definite commitment of employment other than simply moving from unemployment insurance benefits to welfare?

Mr. Andras: Mr. Speaker, the elements of the job creation plan, first of all, will be very definitely tilted, that is, weighted through funding and application, to those various high unemployment areas, and indeed Atlantic Canada is unfortunately one of them. In terms of the decision or the guarantee the hon. member is asking for, I would like to examine that as we work it out. I tell you frankly that there are a great number of things that we still have to put together, which will be in the next two or three months, and I hope I will be in a position to come to parliament in the fall to give then details of a more precise application to local situations.

Mr. MacDonald (Egmont): One supplementary question, Mr. Speaker—

The Acting Speaker (Mr. Turner): Order, please. I am sorry, but there will be lots of time for questions later on.

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, in Vancouver on Monday the Prime Minister (Mr. Trudeau) was in one of his philosophical moods. He said at that time that only "a conspiracy of love" can save mankind. That is what the philosopher, Pierre, is reported as having said. Well, talk is cheap. Such hypocrisy, to put it in its coldest terms, simply cannot be ignored. The only tangible evidence of a conspiracy as it is influencing the Government of Canada now is not one of love. On the contrary, it is directed at Canadian men and women among those most in need in our country. It is a conspiracy, in short, against the unemployed in Canada, and nothing the minister has said this afternoon, and I propose to deal in some detail with what he has said, has caused me to change my judgment on this issue one iota.

The minister said, just picking up a couple of details at the outset, that it was wrong for critics to allege that 330,000 Canadians are going to be affected as a result of the announced changes to the Unemployment Insurance Act. He said it is very misleading, and that only 100,000 at any one time will be affected; that the 330,000 are spread throughout the year. Presumably those 100,000 people are to take some consolation from that fact. He said also that at any one time only 10,000 of those affected by the change from the eight weeks to the 12 weeks happen to reside in Atlantic Canada. Again I say to you, that is some solace to the 10,000 involved in Atlantic Canada.

It is almost impossible to imagine a more calculatingly cruel budget than the one the minister brought down last week. It has been said that the new Minister of Finance (Mr. Macdonald) has simply neglected Canada's unemployed. I emphatically disagree with that. He has consciously brought in a budget which, at every crucial point, touches directly those thousands of men and women in every part of Canada who find themselves unable to obtain jobs.

Let us first consider the tax policy. What was required in this budget was a tax cut for middle and low income families in order to stimulate an economy in which manufacturing is running at only 80 per cent capacity. Instead, the minister brought forward tax benefits for upper income Canadians who alone have disposable income at home, enabling them to invest more lavishly in registered retirement savings plans. Without the needed stimulus which tax cuts would have provided, the cruel result will be increased unemployment, and the minister knows it.

● (1550)

Second, in respect of fiscal policy, the minister has announced that he plans to reduce the deficit by a further $900 million at a time when there are more than 760,000 Canadian out of work. Such a step inevitably means fewer, not more jobs. Again I say the minister knows it, and knows it very well.

Third, finally and most brutally of all, the two major changes proposed in the Unemployment Insurance Act will mean a direct increase in the misery of our unemployed. There is no other conclusion that a fair-minded person could draw who knows the implications of the changes which would cut 330,000 people entirely off from benefits and which would reduce substantially the benefits of those who need them most, namely, those Canadian men and women in areas where regional unemployment is most persistent. The minister has attacked precisely those in Canada who are in greatest need.

Unlike certain commentators I do not regard the minister as he has been described in certain quotations recently. I do not describe him as tough-minded, or courageous, or practical, when he takes such a stand as revealed in this budget. Quite the contrary. I regard him as being politically cynical and chillingly smug. Who, I ask, is tough-minded when he kicks people who are down? Who is courageous when he yields to widespread indifference about the poor and the unemployed in Canada? Where is the political leadership which cashes in on the sad sentiment that our unemployed are responsible for their own misfortune?

In my comments today I want to show not only that the budget proposals are morally offensive, which they are, but that they are wrong from a purely technical point of view as to what it is possible to achieve now in 1976 in our economy. For if it is wrong to be cruel when it is possible to be magnanimous, it is equally wrong in politics to pretend that more justice should be done if it is impossible to do so. Hypocrisy, I say, cannot be a substitute for callousness.

Let me dwell specifically now on the changes in the Unemployment Insurance Act because I think, and my colleagues and this party think, and all kinds of sensitive people from one coast to another coast in Canada think, this is the most reprehensible aspect of the budget. A myth is abroad in the country. The myth is that we are in substantial debt in the unemployment insurance program, that somehow the taxpayers are being forced to make up this debt. Well, the reality is that the largest part of the program, that which is the direct responsibility of working Canadians and employers, has a substantial surplus. There is no debt at all. The surplus for last year was in the range of $400 million, and in the current year it is estimated to be in the neighbourhood of $200 million. This means that the working men and women of our country are fully paying their share of a program that was set up for their benefit. They are not, in respect of the overwhelming number of dollars being spent on the program, being subsidized by anyone. They are paying through an insurance scheme for their own benefits.

At present, unemployment insurance costs beyond the 5.4 per cent unemployment level are paid for by the federal government out of the federal treasury. The justification for this is that unemployment of such magnitude—and it is one of the worst of all the industrial countries of the world—is not by any conceivable line of reasoning the responsibility of the men and women who have to suffer its ravages. Rather it is the collective responsibility of all of us in this country, and in particular it is the responsibility of the federal Government of Canada whose obligation it is to manage the economy in a way in which jobs are available for everyone who wants to work. That is the first myth.

The second myth—and we have all heard this—is that there are plenty of jobs available for all those who want to get out and look for them. I am sure every member of parliament regardless of the party to which he belongs can cite stories about meeting people in his constituency office, or about meeting people in subways and on airlines, who come to him and say that if people want to get out and find a job they can find one.

What is the reality in 1976? The fact is that there are now more than 12 men and women in Canada available for every job that is open. There are more than 12 men and women available for every job from Vancouver to St. John's. What this cruel statistic means is that if every available job were taken up tomorrow there would remain in our country more than 700,000 Canadians who want to work, who are desirous of getting out and contributing to our economy, who do not want unemployment insurance benefits, who do not want welfare, but who want to make their contribution and are unable to find a job. That is the reality.

The New Democratic Party says that the only acceptable, sensible, and relevant way to bring down the cost of unemployment insurance in Canada is for the Government of Canada to manage its economy in such a way that jobs are available. That, Mr. Speaker, is precisely to what last week's budget should have addressed itself. Instead of taking aim at the problems of the unemployed, the budget brought in by the new minister took aim at the unemployed themselves.

Let us consider in a fair-minded way, but I hope with some sense of compassion, the two major changes in the Unemployment Insurance Act that were announced in the budget. First, the government plans to change the five-phase structure of benefits to a three-phase one, contending that this will help those in areas of persistently high unemployment. The minister in his remarks earlier this afternoon repeated the argument. Mr. Speaker, I say to that: what a cruel hoax, because a hoax it is. It is the case that some people will benefit from this particular change, but I will illustrate to you why, particularly for Canadians in Atlantic Canada, in Quebec, in northern Ontario and in southeastern Ontario, the change is, as I say, a cruel hoax that will mean disadvantages for those people, not advantages.

More often than not people in the areas I have just listed will suffer more, not less. Consider a man or woman in the province of Nova Scotia who has had 20 weeks of insured earnings, that is, he or she has been working and productive in the Canadian community for at least five months, and he or she finds himself or herself laid off for whatever reason. Under the present law such a person would be entitled to up to 51 weeks of benefits. I want to stress the entitlement to up to 51 weeks. Most such people are active-

ly seeking employment, and if they are not they are cut off from benefits. People in our country who are fully employed have to be reminded of the fact that if the unemployed are not actively seeking a job, they are cut off.

● (1600)

I come back to the particular case of a man or woman who has worked for five months, is out of work, is in Nova Scotia and is trying to find employment. That person is trying to bring in money for a family at home. Under the present law that person can claim benefits for up to 51 weeks if he or she is unable to find a job. But under the proposed changes that the minister so glowingly referred to this afternoon, that same person would be entitled to at most 40 weeks of benefits—a reduction of some 20 per cent in the time of benefits to which that person is entitled. The New Democratic Party says, shame to that, and shame on a government that brings in a scheme that has this kind of effect on people in Canada who need more, not less, assistance.

Consider another person in the same province of Nova Scotia, this time one with 12 weeks of insured earnings. Under the present scheme such a man or woman could get up to 44 weeks of benefits, again I repeat, assuming they are actively seeking employment. Under the budget proposals announced by the Minister of Finance last Tuesday and reiterated here this afternoon by the Minister of Manpower and Immigration (Mr. Andras), instead of getting up to 44 weeks of benefits that person would have a maximum of 32 weeks. This means a drop in the number of weeks of benefits by more than 25 per cent for a man or woman in Nova Scotia who happens to be in that particular situation.

The point I am making is that at a time when we have the highest level of unemployment in our country in 15 years, in a part of Canada where unemployment is even higher than the average, the government's change is one which cruelly hits at those most in need of benefits. Although I refer in my examples to Nova Scotia, it goes without saying that I could have selected New Brunswick, Newfoundland, Prince Edward Island, or whole regions in the province of Quebec. The same persistently high level of unemployment exists in all these parts of Canada. In all these parts of Canada these negative results will follow from changes in the Unemployment Insurance Act.

Consider also the effects of extending the minimum employment period for any benefits from eight weeks to 12 weeks. Once again those parts of the country which need assistance most will be treated first. It is precisely in Atlantic Canada and in many parts of Quebec that seasonal or short run jobs are the principal source of income.

The hon. member for Egmont (Mr. MacDonald) was questioning the minister earlier this afternoon and very correctly pointed out that workers in those parts of Canada compared to the rest of the people in our country are disproportionately employed in the fisheries, in tourism, and in agriculture. And he was quite correct in the implication of his question that the people who will be most negatively affected by this cruel change from eight weeks to 12 weeks are precisely the same people. The fact is that people employed in these occupations very frequently cannot get a job that lasts longer than eight weeks.

That is the cold reality, and members in the House from Atlantic Canada and from the province of Quebec know that very well. Now that such people will no longer be eligible for unemployment insurance after working up to 11 weeks, the municipalities of Saint John, New Brunswick; St. John's, Newfoundland; Halifax, Nova Scotia, and Rouyn, Quebec, will be paying increased welfare costs.

I do not care what the minister said earlier today because the men and women who will not be able to work and to get the benefits that they were once getting, will need financial resources in order to feed their families, and at least in Canada we have reached the point where we will not permit people to starve. If we will not permit people to starve, it means that the cities in these areas will pay increased welfare costs for these people, and it means indirectly of course that the provincial governments in these areas will have to pick up a major part of the tab for the increased welfare costs.

Is it any wonder that every premier in every province in Atlantic Canada is opposed to these measures? Is it any wonder that any informed Canadian, no matter where he may live, with an ounce of moral conscience, who knows the facts about the implications of this proposed change, is disgusted with the whole thrust of the budget?

The minister this afternoon said he would be interested in providing more information about the discussions that have taken place between his government and the governments in Atlantic Canada. I can tell you, Mr. Speaker, that I have been in touch with most of the premiers of the provinces in Atlantic Canada and, without exception, they are fundamentally and totally opposed to this legislation. They are opposed to this legislation because they know it is cruel and callous and because their provincial treasuries, which are already hard pressed compared to the more affluent parts of Canada, will have to pick up the tab.

Some hon. Members: Hear, hear!

Mr. Broadbent: Why, one must ask, is this Liberal government doing what it is doing? I will offer a theory on what the Liberal Party of Canada in 1976 is up to. They are simply yielding to the concern—and I put that in italics—about unemployment abuses about which we have all heard. However, they are concerned not about Canada in general but mainly about the province of Ontario because they know that when the next election comes in 1978—assuming their relatively safe base in the province of Quebec—it will be the cities in Ontario that will elect most members to the House of Commons. I put forward for hon. members consideration that the kind of callous disregard that is being expressed in this budget and in these changes to the Unemployment Insurance Act is designed to appease the indifference in part and in part the legitimate concern with unemployment insurance of people in the more affluent province of Ontario. Instead of supporting these changes, we in this party are in favour of enforcing the existing law. We are in favour of getting at those who cheat this system, or cheat any other laws on the books of Canada.

Instead of dealing directly with these abuses, what the government has brought forward are these two major amendments to the Unemployment Insurance Act which would deal with the sentiment that is expressed in the big

cities of affluent Ontario but has, as its effect, a kick in the pants and a little more to the people in Atlantic Canada. That is great disservice to the people of this country. Such a policy is nothing short of despicable. It provokes anger on our part with the government for bringing it in at this time. I would be less than straightforward however, if I said I was not equally concerned with the official position so far put forward on behalf of the Progressive Conservative Party of Canada.

● (1610)

The official spokesman for the Conservative party said in his initial response to the budget that the one thing he thought the Government of Canada was sensible about in its budget was its announced changes in the Unemployment Insurance Act. The same member has described unemployed Canadians as "lead swingers". He announced this change in this budget as one small step forward. I hope that a number of members in that party from Atlantic Canada who know reality and who, I think, speak honestly for the people they represent, will have some influence with the official opposition when it comes to the vote on our amendment and can bring some sense and some decency to the formation of their position.

I said earlier that it is not enough for a political party to make a moral criticism of a government. If we are going to suggest that a moral alternative is what should be pursued it is also obligatory, to avoid the serious political charge of hypocrisy, to suggest how it might be possible. In the conclusion of my remarks, Mr. Speaker, I want to do precisely that.

As the Minister of Finance well knows, we now have in the Canadian economy a manufacturing sector that is functioning at only 80 per cent capacity. In straightforward economic terms that no economist would deny, this means that we could have had stimulation now, in 1976, by means of a tax cut for people on average and low incomes. This would stimulate the economy and cause manufacturing industries to call men and women who want jobs in off the streets. They would produce the goods that an increased supply of money would demand. And the point is there would not be an iota of new pressure on inflation. That is the crucial point, Mr. Speaker.

On budget night the Minister of Finance said that if we stimulate the economy it will cause inflation. He was only half right or, more correctly, only telling a half truth. If you have an economy that is already functioning at maximum capacity where there is no slack in our offices or factories and you stimulate it, then the minister is right; you cause great inflation. When you are only operating at 80 per cent capacity, however, and when you have more than 760,000 Canadians who want jobs, a tax reduction would cause stimulation and take people off the streets to work, but would not cause any increase in inflation.

The minister took a callous and cynical approach in this budget, Mr. Speaker. He announced forthcoming changes in unemployment insurance which will wreak havoc with many men and women, particularly in Atlantic Canada, who are going to lose the benefits we have built up over a period of time in a fine Unemployment Insurance Act. Beyond that, he did not stimultate the economy in a way that at least during this year could have brought the unemployment level below 7 per cent. Instead, throughout this year unemployment will remain above that grotesque level which no one with any sense of decency in politics finds tolerable.

I urge members in this House to give serious consideration to supporting the amendment put forward by the New Democratic Party which would have the effect of removing that disreputable change. If we had support from members on both sides of the House for the amendment, even though it did not carry, the message of concern that most decent people in the country feel about unemployment might even get through to the government.

Mr. Lincoln M. Alexander (Hamilton West): Thank you for recognizing me at this time, Mr. Speaker. I take a very dim view of the minister and his predecessor continually telling us that we should be proud of our most generous unemployment insurance scheme. We do not want a generous unemployment insurance scheme; what we want are jobs. This is the only way we can reduce the significant impact of unemployment insurance—by the creation of jobs.

Some hon. Members: Hear, hear!

Mr. Alexander: I hope the Minister of Manpower and Immigration (Mr. Andras) will remember the undertaking he gave to me to table the documents, surveys, studies and statistics which allowed him to come to the conclusions urged by the Minister of Finance (Mr. Macdonald) that certain amendments are necessary to the Unemployment Insurance Act. This is most important in order that we may be as apprised of the situation as is the minister. There are a lot of unanswered questions, and we want to know whether the minister has done his best with this horrendous problem of unemployment insurance.

Our friends on the left want to know whether we will give their motion very serious consideration. We have given it serious consideration, and by necessity we have to vote against it. What the New Democratic Party is attempting to put before the Canadian people is the idea that we should accept unemployment insurance as a way of life. They do not want meaningful amendments to this legislation.

I should like to refer to an editorial in this morning's *Globe and Mail*, Wednesday, June 2. I do not say this newspaper is the Bible, but I think the statements in the lead editorial mirror the thinking of the vast majority of Canadians. The article pointed out that:

> The majority of Canadians don't want a program that encourages people to work for a while with the carrot of months of rest. They don't want a program that discourages mobility in the work force or continuity in the job. They don't want any more of those hilarious stories about good life on the pogey.
>
> What do they want?

The article then makes reference to my friend, the Postmaster General (Mr. Mackasey), but I will ignore that. It continues:

> ... but a good many people want an unemployment program that will be even more sensitive to the needs of individuals and the community at large. A program that will be related more directly to job creating schemes—particularly for workers in the 18 to 25 age bracket—and to the problem regions where high unemployment is chronic.

This is the gist of the situation. We want amendments to the Unemployment Insurance Act in order to bring it, as the minister has indicated, to a social insurance program, while at the same time making sure that those who live within high unemployment areas do not suffer. This is all that people are requesting. They want jobs, whether in the private sector or the government, and I will get into that a little later. What they want is a social insurance program that takes into consideration the needs of those in high unemployment areas.

I was amazed to hear the minister say that an eight week qualification period is a disincentive. I am not going to brag or seek any glory with respect to that, but I should like to refer to the debate on second reading of Bill C-229 in *Hansard* for April 19, 1971, where I said as reported at page 5054:

● (1620)

There are several sections in this bill raising questions of interest and concern and calling for deep consideration, not only by members on this side of the House but by members on the other side. Unemployment insurance programs should maintain a proper balance between providing temporary income maintenance and facilitating reabsorption into productive activity. Therefore, with all due respect to the arguments of the minister, I question whether the reduction of the qualifying period to an eight-week attachment to the labour market is practicable in view of the probable abuses that this will encourage. Further, such a short period of time does not indicate even a strong seasonal attachment to the labour force.

The bill was read the second time, referred to the standing committee, considered in committee, then sent back to the House for consideration at the report stage. On June 10, 1971, as recorded at page 6582 of *Hansard*, an hon. member—I will tell you shortly which one—moved the following motion:

That Bill C-229, An Act respecting unemployment insurance in Canada, be amended by deleting the word "eight" in paragraph (a) of subclause (2) of clause 17, line 16 at page 11, and substituting the word "twelve".

That Bill C-229, An Act respecting unemployment insurance in Canada, be amended by deleting from Schedule A at page 106, under the column titled "Weeks of insurable employment in qualifying period" in Table 1, the figure "8" in the first entry thereunder and substituting the figure "12".

After proposing those amendments I said, as reported by *Hansard* at pages 6582 and 6583:

All I can say in conclusion is that I am dismayed by this particular clause, and I am afraid that with all the good intentions the government may have, this clause is open to abuse. It removes the incentive that we are all seeking. It certainly does not enhance personal initiative. So, my two motions are an attempt to make the act more reasonable. What we are trying to do is to allow people to help themselves. I think this is what the government should be doing.

The philosophy of my party is that the government should not move in until it is actually and really required. In other words, the individual should be able to help himself, and this is what I like about our philosophy. Governments should not just look after people from their birth to their death, but we are starting to move in this direction. Whether or not Canadian people can afford this is questionable. But I hope that the minister, as well as my colleagues in the House, will appreciate what I am saying. It is not that the Canadian people are lazy. Heavens, no, I would never say that. What I am saying is that when you hold out these enticements, these inducements, these carrots, there is bound to be abuse. I hope that the administration which will be set up will be able to cope with these abuses effectively, because I can foresee problems for the department and for the minister. What he has done, in effect, has been to remove the initiative from people to continue to seek work.

[Mr. Alexander.]

That happened in 1971. I will not take credit for the government's present action. After all, it is my duty to tell the government how to show leadership; it is my duty to suggest policies. It took the government six years to figure out what we figured out in five months. I see the Minister of Finance laughing. Mr. Speaker, the facts speak for themselves. We impressed on the minister in that previous debate that the provisions then being proposed would constitute a disincentive to work. The government disagreed. They said, "No, we do not think so." Now the government admits that those provisions to which we objected are a disincentive to work. Consequently it has proposed the amendments now to come before the House.

Let me refer to another document to show that the government does not keep its promises. Six years ago, in June, 1970, the government produced a white paper on unemployment insurance. On page 18 of that report we find the following words:

... fishermen, who have for the past few years been covered as a total group will now be covered only if they are working for someone else ... the self-employed fishermen, however, will be provided for. Income stabilization is imperative in the commercial fisheries, with particular reference to the remote fishing communities, and pending completion of plans being prepared specifically for this purpose, self-employed fishermen will be covered by unemployment insurance.

Why has the promised incomes stabilization plan not been introduced? We have demanded it for the past five or six years. Certain people need that kind of help. I remender the minister saying in the past when we debated this matter, "Don't worry, just pass the bill we are considering and we will bring in an incomes stabilization plan." That happened some time ago; so far we have not heard anything about that plan. No wonder people in the Atlantic provinces are upset.

In his speech the minister spoke of savings he intended to effect, and guaranteed they would not involve hardship for people in our slow growth areas. But when I think of what the government has done with regard to our fishermen, am I supposed to feel happy and pat the minister on the back? I cannot do it. We have been too disappointed.

The minister alluded to certain interesting statistics. Apparently some 22 per cent of all unemployment insurance recipients receive benefits for the full 51 weeks and are known as exhausters. Of these, 8 per cent subsequently go on the welfare rolls and constitute between 1 per cent and 2 per cent of all people on welfare. Contrary to what my friends on my left think, there will not be any massive application to welfare offices. The statistics show it will not happen. Why? The evidence suggests, I think, that other sources of income are available to unemployment insurance recipients. In other words, our work patterns are changing. There may be more than one income earner in a family; therefore one member of a family may work off and on and, when unemployed, collect unemployment insurance.

The minister related other significant facts. He suggested that there are more than ten million people in our labour force, that actually our labour force is about 13 million people strong, but that between two million and three million people intermittently enter and leave the work force. Why, Mr. Speaker? I suggest we must blame the generous provisions of the Unemployment Insurance Act. We ought to be concerned about those who are not

permanently attached to the labour force. The hard core of ten million people is in the work force to stay. Apparently the minister thinks that his proposed amendments will affect about 300,000 people who are included in the roughly three million people not permanently attached to the work force. Under the proposed amendments they will not get benefits.

The impact of the 1971 UIC revision was made apparent by the Economic Council of Canada study entitled "People and Jobs." I think the minister was waiting for the report to be made public before bringing in necessary amendments. Actually the Economic Council report is a scathing condemnation of the government's policies and attitude to manpower and unemployment insurance. Clearly the government has not kept abreast of the times. The Economic Council of Canada says on page 19 of its report:

> The wider coverage and higher benefits introduced into the unemployment insurance program in 1971 have probably had four general effects; some increase in voluntary quits, lay-offs and turnover because of reduction in the cost to individuals of periodic bouts of unemployment and an easing of the responsibilities of employers for lay-offs for sickness or maternity; less incentive for some unemployed individuals to search vigorously for work until the end of their benefit period; an inducement for others outside the labour market to seek work in the knowledge that they could thereby qualify for more generous benefits; and finally, in the larger sense, a selective stimulus to the economy through the transfer of hundreds of millions of dollars to individuals and communities affected by unemployment.

The Economic Council is of the opinion that our existing legislation induces people to join the unemployment rolls and is a disincentive to work. It estimates that present legislation induced between 70,000 and 80,000 people to go on unemployment.

Having said that I must indicate that both the Minister of Finance and the Minister of Manpower and Immigration said that changes will be proposed. The House was told that the weeks during which benefits may be drawn will be related more directly to weeks worked, and that regional benefits will be related more closely to regional unemployment. By saying this the government is showing a certain flexibility. It realizes that we face a chronic situation in the Atlantic provinces, parts of Quebec, and other parts of this country which needs special attention. The government is therefore proposing an amendment which will deal with the matter.

It goes further and says that the act will also be amended to permit the payment of unemployment insurance to beneficiaries on a discretionary basis where they take part in such activities as selected employment training or short time work programs. Clearly the government wants to be flexible. It wants to provide for benefit payments on a discretionary basis. I do not know what that means, but will try to find out. The government realizes that it created tremendous difficulties by ignoring the needs of areas like the Atlantic provinces and will be flexible. Notwithstanding the position we have taken, I say that there is nothing wrong with flexibility which, enshrined in legislation, will determine the period of time benefits may be paid in high unemployment areas, and rightly so.

● (1630)

If the government is so concerned about that, why was not some flexibility given in that eight to 12 week formula in order to relieve the pressures and the problems which the minister has recognized in terms of the flexibility with regard to the extension or length of time for the benefits? I hope the minister will be able to answer that question because in many areas of this country people want to know what flexibility means, and who go this far and not further.

We will have to find out where these regions are, how they are going to be determined, how much saving there will be, where the saving will be directed, and what is meant by payments on a discretionary basis. We do not want any pork barrelling for which this government is famous.

I listened to the minister's speech. I have not yet had a chance to digest it. It was a very important speech with a lot of statistics, plans, and so forth and so on. However, the minister did not give it to us in detail. That is a requirement so that we can know what we can do when the bill comes before the House.

We have to see that our slow growth areas are protected. If the minister cannot give us those matters in detail, we will have to think them. I wonder whether the minister has given us another con job. I do not want to get mean with the minister, but we are used to being conned on unemployment insurance. I do not look at any minister in particular—

An hon. Member: Bryce is the only one in the House.

Mr. Alexander: I do not intend to mention any names this afternoon. My time is extremely limited. In fact I want to know if I can have a little more time because I have just begun the fight.

I sometimes wonder whether the government has any ideas of its own. During the 1974 election we had an incomes policy in which we discussed wage and price controls. The government said no, you will freeze wages, not prices. After the election the first thing we got was wage and price controls. I think the government is bankrupt in programs.

Another matter disturbs me. When the former leader of the opposition indicated that it was wrong to pay taxes on the inflated dollar, the then minister of finance said that was crazy, they could not do it, it would cost too much. But what do we have now? Relief from that.

When we suggested Manpower and the Unemployment Insurance Commission in order to bring counselling, payment of benefits, and job placement under one roof, the government said no. It also said no to the eight to 12 week period. Now we will have the eight to 12 weeks. What kind of a government is this? Do ministers not have any ideas of their own? They always criticize us for not having any ideas, but every time we turn around they are stealing our ideas. They are the greatest bunch of thieves I have ever seen.

Some hon. Members: Hear, hear!

Mr. Alexander: Let me get back to the unemployment insurance proposed amendments. In 1965 there was the divorce. Why? As the present minister indicates, the government thought that a positive manpower program or policy could best mature if it were allowed to develop

independent of an unemployment insurance program. What nonsense. What a costly error that was.

An hon. Member: It was not an error.

Mr. Alexander: There is another smart aleck across the way. If it was not an error, why is it not being continued in separation? It was an error.

Some hon. Members: Hear, hear!

Mr. Alexander: There was the frustration of error in payments, duplication of documentation, and a complicated system of payments between two bureaucracies. The right hand never knew what the left was doing, and neither did it care.

The Council of the Organization of Economic Co-operation and Development called for a balanced development of income maintenance and positive utilization measures which would ensure the earliest possible return to employment. In the past the government has made it easy to get on unemployment but doggone hard to get off. It should be the reverse. I am pleased to see that the minister in his wisdom, with the backing of his officials, has now noted that the former was wrong and the latter is right.

The council implied that it would be preferable to have a one stop program. As a matter of fact the Economic Council of Canada referred to the same sort of one stop program with counselling, payment of benefits, and the placement of jobs all under one roof. The result would bring the two functions into closer harmony. It would reduce the incidence of pauses in unemployment insurance, and the staff should be able to determine how seriously recipients are searching for jobs.

We are all getting a little concerned about the search for jobs. We have seen some significant moves of late. Through the good offices of the Minister of Manpower and Immigration there are now Manpower offices in provincial welfare offices. This enables the matching of people with jobs. There is a feeling that there are too many people seeking welfare as a way of life when there are jobs going begging. I know there are a lot of problems with respect to the atmosphere in which a job may be, the amount of pay, and all the other matters that can make a job a little tough to accept. However, there are a lot of good jobs available. There is now a move in the direction of matching people with jobs in co-operation with the welfare officers and the Ministry of Manpower.

Severance pay is another matter of concern. Two or three years ago the minister not only said he would examine severance pay but holiday pay. I do not know why he is only bringing in severance pay in terms of relief and not holiday pay. There may be a matter of discrimination in this area.

I listened to the minister state something to the effect that unions and business could get together. Is severance pay universal? If the minister is talking about the unionized portion of the labour force, he is only talking about one third. What about the other two thirds? Are they entitled as of right to severance pay? I will have to look into that because I do not want the minister to bring in any bill that is discriminatory and not equitable. If the government is going to move in that direction, why not move in terms of holiday pay, which I understand through provincial legislation is universal? The minister will have to expand on that.

We are all concerned about jobs. The state of the economy is of major concern to all, particularly the unemployed. Here we are faced with the worst of both worlds, high unemployment and high inflation. There are 760,000 people, some 7.4 per cent of the work force, who would like to work but are unemployed. That is the highest for some 15 years. These are heads of families who cannot get jobs and who want to work in order to gain the necessities of life for their families.

The young people who represent the highest incidence of unemployment cannot find jobs. Now we have the students coming on to the labour market. What are we going to do about the students? We have raised this question many times. What is going to happen to some one million students who will be coming out—if they are not already out—and who will add to that total of 750,000 people already unemployed? These people are victims of a mismanaged economy, an inept government which is both callous and cavalier about the plight of its citizens.

● (1640)

The climate is one of concern, despair, and resentment. Imagine the situation. Here we are, a country the envy of most others in terms of wealth—wealth in natural resources, in human resources, wealth in technology—and yet we cannot achieve a 5 per cent real growth level. Is that not amazing? In the period 1974-75 we were short seven percentage points, the equivalent of $7 billion or $330 for every man, woman and child in the country. This is a situation which, in effect, leads to further unemployment.

What is significant, Mr. Speaker, is that for every percentage point of real growth we gain something like 30,000 jobs. So when we are seven points behind we are in effect 200,000 jobs behind. That is why we on this side of the House say the least the Minister of Finance should have done was to give us some indication that he was trying to get something in the region of at least 6 per cent real growth. But no, he is talking about some 4 or 5 per cent, as if that were some big thing. And with every percentage point we lose on real growth we are out some 30,000 jobs. It does not take long to figure that out.

Jobs are a most important consideration in our economy. In this regard the private sector should be and must be the primary source.

Some hon. Members: Hear, hear!

Mr. Alexander: When I say that, I do so in the knowledge that this cannot be achieved under the stewardship of the Minister of Finance. I say this because the private sector has no confidence in the government, because the Prime Minister (Mr. Trudeau) goes around talking about his new society—

An hon. Member: And love.

Mr. Alexander: Well, love is something we heard about the other day. And you know what Mother Theresa said about love. Then again, charity begins at home. But let me not get away from what I have to say. The new society

musings of the Prime Minister, and his light dismissal of the free enterprise and free market system have caused the business community concern. There has been no meaningful restraint on the part of the federal government. It is increasing its expenditures by about 15 or 16 per cent but it wants everyone else to accept a ceiling of 8 per cent—there may be 2 per cent for productivity and 2 per cent for cost-of-living increases. Controls, according to the Prime Minister, may last for three years and one thing which should be of concern to all of us is the indication by the Prime Minister—and now I am paraphrasing—that there is likely to be not less authority exercised in our times, but more. All these things have created an intolerable at mosphere leading to less productivity and less profit.

It is the government's business to create a positive atmosphere in order to allow the private sector the opportunity to provide jobs, thus developing the economy. The budget could have been utilized to create this atmosphere, but the minister did not take advantage of his opportunity. He abdicated his responsibility in this regard. The government, in my humble submission, must get off the pot. It must say whether or not there is a meaningful role to be played by the private sector.

For the past five years we have been living in a vacuum—benign neglect. We must get together with business, labour, consumer groups and other levels of government to determine a game plan. We have to determine what ought to be our real growth; what our aims ought to be. How we can reduce our export deficits which today stand at some $5 billion? How can we place greater emphasis on the need for higher productivity? We must determine some kind of industrial strategy in co-operation with all these sectors of the economy, and outline the roles each have to play. These are important questions, Mr. Speaker, but the budget was totally silent with regard to them.

In terms of bringing about a climate of confidence the budget was an unqualified disaster, given the very serious economic problems we face. The budget will be known for what it failed to do rather than for what it accomplished. It showed, as I said earlier, that the government is bankrupt in terms of policy, is devoid of any constructive ideas. The economy, which needed a shot in the arm, instead got a shot in the head.

I see my time is about to expire, Mr. Speaker. If hon. members would agree to allow me about three more minutes I would have time to finish my remarks. I would appreciate that consideration.

Mr. Deputy Speaker: Order, please. I am sure hon. members will agree to the hon. member's request. Is there consent to allow the hon. member to complete his remarks?

Some hon. Members: Agreed.

Mr. Alexander: I shall not take the time of the House unduly but I think we should be apprized of the fact that, as the hon. member for York-Simcoe (Mr. Stevens) has indicated, there could have been a cut of one billion dollars had proper restraints been exercised. I will not spell out the details, but what was significant was that he was prepared to give a tax credit of $250 million, of which $100 million would go to those earning $8,000 or less, the remainder to be given on the basis of a scale to those earning between $8,000 and $16,000, most of which would go directly into consumer spending, adding nearly three tenths of one per cent to the gross that would occur with such a tax credit. There would be a considerable impact on domestically generated demand, and thus on jobs.

A further proposal made by the hon. member for York-Simcoe involved a $100 million tax incentive program adjusted to ensure the greatest benefits to regions where disparity is greatest. That is what is bothering my friends from the Atlantic provinces. There has been no recognition of the need in areas where disparities are greatest. Not only would this incentive encourage the construction of research facilities, particularly in areas of regional disparity, but job opportunities for skilled workers would increase as well, as would those for the unskilled workers required to support the plant.

My hon. friend from York-Simcoe also advocated export incentives and promotions to the tune of some $75 million. This was part of the savings we were going to get by way of restraint. Then we would shift the priorities. In fact we had about $450 million left over in order to reduce other deficits. Other proposals included a program of tax incentives to encourage exports, and government spending directed to gain export markets, primarily for the benefit of small businessmen.

The government has time in which to reflect upon what it is doing right now. I refer particularly to the proposed amendments to the Unemployment Insurance Act in terms of their impact upon job creation. I am not all that happy when I hear the minister say "We are going to extend LIP." That's good but it is only short term. All those jobs will sooner or later be eliminated. What we need is an approach along the lines the Economic Council of Canada indicated with respect to the $1 billion savings. I hope the ministers are looking at this suggestion with interest because we just cannot continue these ad hoc approaches, these piecemeal attacks on unemployment insurance. People want to work, but somebody has to create an atmosphere favourable to job creation. In this regard some attention will have to be paid to the question of whether in fact the government is interested in the private sector.

The musings of the Prime Minister have made a lot of people extremely nervous. Is there one rule for the public sector and another for the private sector? This is what we shall be looking at. Before the minister brings in his bill for first reading, what is to happen in the interim? Is there to be a serious effort to get away from this ad hoc approach to the serious problems I have outlined? As I said, this country should not have 760,000 people out of work.

The government has stolen our policy. We are not going to quibble about that; it is to be expected from that gang. Our policy was that the Unemployment Insurance Act, in terms of the minimum qualifying period, should allow entrance after 12 insured weeks, and since we have advocated such a policy since June, 1971, or prior thereto we have no alternative but to vote against the NDP motion which, in effect, does not want any meaningful amendment to be made to the Unemployment Insurance Act. The NDP want people to rely on unemployment just as the government does, and this is the matter we object to most strenuously.

● (1650)

Mr. Norman A. Cafik (Ontario): Mr. Speaker, in view of the fact that this is the first budget brought forward by the present Minister of Finance (Mr. Macdonald)—

Mr. Paproski: And the last.

Mr. Cafik: We will have to wait and see about that—I want to take this opportunity to congratulate the minister on his budget. He faced, as I think everyone in the country appreciates, an enormous dilemma in preparing a budget at a time of high inflation and high unemployment, a budget that would be satisfactory to all Canadians. He has met this challenge quite well from my standpoint. He has brought forward measures that I believe will stimulate the economy without over-heating it; it will be sufficient to improve employment opportunities in a significant way without at the same time undermining the anti-inflation program.

The key elements of the budget that I would briefly touch on before dealing with the primary issue that I want to deal with in my speech today are as follows. First of all the amendments to the anti-inflation program dealing with the price side are very important steps in the right direction so as to create a better degree of credibility for the whole anti-inflation program, which I think has been launched with some degree of success to date. But by and large the public have felt, rightly or wrongly, that the greatest emphasis has been on the wages side. Quite frankly I think there has been equal emphasis and even more stringent control on the price side, though it may not have been very visible.

The rulings of the Anti-Inflation Board have been primarily on the wages side, and this has created the impression that the controls on prices are in fact not working. This is not the case. The change proposed in the budget will create, I think, a better climate where the public at large will come to realize that we are very serious about fighting inflation, and particularly about controlling prices in Canada.

The other steps announced in the budget to inhibit increased government expenditure are, of course, welcome. For instance there is the proposal in the budget that in the year 1976-77 and in 1977-78 the actual increase in government expenditures will be kept below the increase in the Gross National Product projections. This is something many people have wanted to see happen for some time. We will now be moving in this direction, and in terms of getting a handle on the economic situation in this country these are extremely important steps. However, I would enter one caveat, one word of caution, and that is that we should be very careful that we ourselves as parliamentarians do not over-react and paint out ourselves into a corner of restraint in terms of government expenditures, because this will render it impossible for us to provide good government.

There is no doubt that governments have to spend money for socially desirable purposes, such as transfer payments and the basic necessities required by our citizens. I think it would be very unwise not to bear in mind our responsibilities in this regard. We should not over-react to people who have a distorted view of the impact of government expenditures on the economy. These people seem to think that if a government spends a dollar, it is a different dollar from the dollar spent by the private sector. it is true that private sector expenditures, like all expenditures, stimulate the economy, but the fact of the matter is that a dollar is a dollar. When money is needed in the economy it really matters not where it comes. The fact is that it is needed, and it has to be provided in one way or another. When the sector is not able to provide adequate job opportunities or stimulation of the economy, then the government itself has to intervene. However, it should do so only when there is a demonstrable reason for so doing.

I am also very pleased with the steps announced in the budget to improve the measure of assistance given the private sector, particularly the small business community. Perhaps we should move even further in this connection. I have spoken many times in this House about some of the programs in Industry, Trade and Commerce, where we should shift the emphasis from grants, interest free loans or forgiveable loans into straight loans to the private sector, particularly to small businessmen, so as to provide them with the growth capital they require to meet the needs of themselves and the rest of the community. More money could be loosened up in this way without increasing government expenditure one iota.

The basic change proposed in the budget to increase the rate of taxation for small business people from $100,000 to $150,000, and the cumulative figure from $550,000 to $750,-000, is going to provide a considerable incentive and stimulation to the small industrial sector and business community. When we think of the private sector many of us think almost exclusively in terms of multinational corporations and the giants of the business community. The simple fact of the matter is that the small businessman who employs a small number of people really provides more jobs and stimulation of the economy than all the multinationals put together. This is why providing assistance to these entrepreneurs and business people who have the incentive to move forward is very important.

I think the tariff changes that benefit consumers are very worth while. I have some reservations about the tariff cuts that relate to farm products because of my deep concern for the well-being of farmers. We must continue to have an adequate farming base in this country, and I do not think it is useful to achieve low prices for foodstuffs if this dries up the very source of these commodities because the farmers do not have an adequate incentive to produce food.

I think the energy conservation proposals were a bit of a surprise but quite useful in terms of increasing taxes progressively on heavy cars, thus bringing about some fuel economies. The measures to provide a two year tax write-off for equipment used in the private sector and by municipalities to convert industrial municipal waste into productive energy sources are also worth while.

One matter that concerns me about energy and energy sources is the price of oil and petroleum products. I have mentioned on a number of occasions the reservations that I have about increases in the price of fuel and oil products, which to a very significant extent are designed to assist the exploration activities of the multinational corporations. I realize there are many safeguards to ensure that

this money is spent in that area, and I am pleased that there are these safeguards. But I would rather see the additional money received by the multinationals transferred to the government itself, and that we establish an appropriate federal agency that would reinvest this money in exploration activity. In this way Canadians will personally have some kind of equity interest in the development that must take place.

● (1700)

It seems to me to be inappropriate to allow these advantages to the private sector when we, through tax measures and other means, are providing them access to the funds to be able to do that. I think we need a national development fund for this purpose, and I believe it would provide some degree of credibility to the increases in petroleum prices the public is so aggrieved about at the present time.

In addition I am delighted with the personal income tax changes, particularly the additional deductible allowance for child care. This is very important at a time of high inflation when often of necessity both parents have to work. The additional allowance for deductions for child care from $500 to $1,000 per year is a very important measure, with the maximum deduction being changed from $2,000 to $4,000 per year per family. This will provide considerable assistance to people in this income category and in this condition of need.

The deferred income changes in relation to registered and non-registered retirement savings plans are also worth while in that they really escalate these levels so those planning for retirement can plan for a retirement income more consistent with what retirement needs will be in the future because of inflation that has taken place in the past and is taking place at the present time. The proposal is to change the level for registered plans from $2,500 to $3,500 per year, which is a step in the right direction, and for non-registered plans from $4,000 to $5,500.

Let me now address myself to what I think is one of the most significant aspects of the budgetary proposals. I should like for a few minutes to talk about those proposals relating to the unemployment insurance plan and to job creation generally.

I for one am very pleased to see the remarriage of the manpower and the Unemployment Insurance Commission sections of the Department of Manpower and Immigration. The divorce that took place during the Pearson days in respect of those two elements of the same department I thought at that time was unwise, and I have felt so ever since. I have been a strong advocate of the need for bringing these two elements back together so we can provide a one-stop service centre for those in need of this service. This will provide greater efficiency, and I hope that in some small way this will contribute to a reduction in federal government expenditures, as I am sure it will when this program is fully put into place. In addition to this there are other things that need to be done. One thing that concerns me greatly in connection with the unemployment insurance program today is its credibility, or to put it more accurately, in some quarters its lack of credibility.

The UIC program brought forward by the new Minister of Consumer and Corporate Affairs (Mr. Mackasey), the Postmaster General, was a very important departure. It was a program I supported very strongly at the time, not only in the House but at all stages. That does not mean anyone at that time felt it was a perfect answer to a difficult problem, because clearly perfect answers to problems of this magnitude are rarely arrived at, in the House of Commons or anywhere else in society. Nonetheless I supported it then.

I am a great admirer of the Minister of Consumer and Corporate Affairs for the concern he has had for the lower income people in our society. I do not want to detract from that feeling by any remarks I am about to make now, and I am sure I will not do so.

Credibility in the program is extremely important. If the public views this program as a rip-off, which I really do not think it is, and if it views the program as providing a disincentive to work, then we as politicians have to deal with that perception. It is not good enough to deal with it only by citing statistics. I happen to think that this perception, that it does provide some disincentive to work, has some degree of justification, and we have to meet that. At the moment, on the basis of the information and statistics I have seen, much of which have been developed in recent days by the Department of Manpower and Immigration relating to the whole question of the eligibility period, I think are convincing.

The present rules in relation to eligibility, which require somebody to be attached to the work force for eight weeks, as far as I can make out, with the exception I believe of Holland, represent the lowest entrance requirement in any country in the world. That is my understanding, but that does not mean to say it is wrong for that reason. In countries like England, which is considered by many to be an excessively welfare state, the entrance requirement is 26 weeks, and all over Europe the entrance requirement ranges up to a year and sometimes more, but rarely less than the figure of 26 weeks. I have just quoted for England. We have a program before us today under which the entrance requirement is eight weeks. That is technically less than two months. It is a small attachment to the work force, there is no question about that. The proposal is to change that attachment, not to the figure in England or even the much higher figures in Europe, but in a very modest way from eight weeks to 12 weeks. There is a significant impact, but a modest one nonetheless.

The Minister of Manpower and Immigration (Mr. Andras) has cited some facts in this case and I am not going to review them all today. I am impressed by a number of them. First of all, I am told that 64 per cent of those with an attachment of between eight weeks and 11 weeks drop out of the labour force after drawing their benefits. If that is the fact, and at the moment I have no reason to question the validity of it, that is a very staggering fact. Let us compare that dropout rate with the average of those who collect unemployment insurance. We find that the over-all average is 13.5 per cent, and for those who have been covered by insurance for a 52-week period the average is 1.8 per cent. I think that is quite significant.

The cost ratio of benefit payments to those in this category of eight weeks to 11 weeks is 20 times the average cost ratio. This does not mean we have to change the program by virtue of that statistic, but it does indicate in terms of insurance principle that there is reason to believe we ought

to reconsider our approach in respect of such a short attachment to the work force.

I am informed that the savings involved here run into the hundreds of millions of dollars, and we ought to redirect these funds toward job creation. If that could be done effectively, particularly on a regional basis for the Atlantic provinces and other areas of high unemployment, we would be doing the wise thing. I have not met many unemployed people who would rather be unemployed than working. Our responsibility is to provide them with that kind of job opportunity. I am not convinced that the redirection of a modest $200 million or $300 million would in fact achieve that objective, but I think it would be a step in the right direction, although more has to be done.

It is really incredible in a society like ours, with all its wealth, its intelligence, its resources and so on, that we cannot find ways and means of more properly matching our labour force and job opportunities. We have to do that as best we can. I believe, therefore, that the changes being proposed in the UIC plan are worth-while changes. I think we have to do this in order to create credibility for the program so that the original UIC program will not die because people relate badly to it. I think that by the changes we would reduce the misuse of the law for personal gain.

● (1710)

Some people have argued that all we need do is tighten up on the administration and that would cover all the abuses which exist. I do not believe that. I believe we have to tighten up the administration in certain areas. However, the abuses which take place now are abuses within the law. These cannot truly be called abuses because people take advantage of the law which parliament gave them to use. If the law is wrong, if it provides a disincentive in some way which reduces the desire of people to get out and find work when they need income, then I think the law needs to be changed. I think the changes will provide more stability in employment patterns by forcing people to have longer attachment to the work force.

It is true it is not always possible for people to be attached to the work force for the period they would like. Obviously that is not possible in many areas. However, there is no doubt there are people drawing unemployment insurance after having been attached for eight weeks now because they do not want to work for more than the period required in order to become eligible for those benefits. I have known of such cases. I believe that although this may not be a widespread abuse it is something which ought to be corrected within the law.

I also believe more funds should be provided and targeted toward job creation. That is important. We also need to provide more funds and initiative in the area of upgrading job skills through mobility and retraining programs. The minister has indicated his intention in this regard. I support that move considerably. I think one further point in connection with the need for the creation of job opportunities is that we should have what I have advocated for a long time. This is what I would call a national advisory council, on education in relation to skills needed by our society in the future.

[Mr. Cafik.]

It seems to me, now that the Department of Manpower and Immigration is married to the UIC in one unit, we might well consider the advisability of sitting down and trying to determine in a sensible and reasonable way what job opportunities are anticipated in the future in all the various trades and professions, and non-trades and professions, not that anyone should have a mandatory requirement to be educated, to be streamed only into a particular area of need, but so that we might find a guidepost in respect of those who go to our universities and trade institutions so that a job would be available to them when they graduate a few years hence. This is done in other countries and I think it might be done to some extent here so that we do not end up training more people in one profession than society will require. I think this should be considered by the Department of Manpower and Immigration.

Furthermore, I believe a change in the formula for federal contributions into the UIC fund from the moving average which exists now on a national basis to an average on a regional basis would assist the department in directing funds and benefits into those target areas which require the benefits most, those areas of high unemployment. That would be a worth-while step which in some way would minimize the fear and concern many members of this House have in connection with the high levels of unemployment in their own regions and the impact of this particular program on that problem.

I also believe that the Department of Manpower should look very closely, with national bodies such as labour unions and so on, at appropriate methods of providing adequate apprenticeship programs within our society. I have a tendency to believe that far too many trades and even professions look upon apprenticeship programs, or even educational programs in such a way that they want to keep a closed shop to some extent to provide the maximum benefits to their own members. It seems to me that in the national interest we must ensure that such self-regulating bodies do not act in such a way as to deny job opportunities in skills and professions to many people in our population who at the present moment do not have an opportunity to enter into them. I think this is an important area of activity and one most appropriate for the consideration of the Department of Manpower.

I shall not continue any further in connection with the unemployment insurance program except to say that, on the basis of information I have, I believe it is important that we make adjustments in this program, not to destroy it but to preserve it, and to make sure that it does serve not only those people who are unemployed but all Canadians.

It would seem to me that by using our resources properly, which are contributed to in that plan by management, the employees, and the government, and that by earmarking those benefits in the right way we will serve all people in our society. I sincerely hope these proposals will play their role in providing more job opportunities and providing the kind of incentive we require in our labour force so that we may continue to have the kind of society we have had in the past number of years.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, before dealing with the two topics I intend to discuss, I would like

to congratulate the hon. member for Rosedale (Mr. Macdonald) for having been invited by the Prime Minister to assume the responsibilities of Minister of Finance. From the economic and financial standpoint, it is one of the most important departments in the Canadian administration. The Minister of Finance has very heavy responsibilities, and a lot of courage was necessary to agree to make a speech which shows a lot of timidity in attacking the real causes of inflation, a generator of unemployment with all the attendant problems.

Mr. Speaker, if we look back at past budget speeches, we see that government policy has been changing from year to year. First the government fought inflation while taking the chance of seeing unemployment rise; the next year, the government conceived a policy to fight unemployment, while risking a surge in the inflation rates. This year, the new Minister of Finance is offering us a new formula when he says:

> We believe that the problems of unemployment and inflation must be solved together.

I am in complete agreement with this attitude. However, no new formula has been announced which would let us hope that an answer will be found to these two problems caused by an outmoded and distorted financial system which no longer corresponds to the economic realities of this day and age. To be fair to the minister, I must admit that the increase in the profit ceilings for small businesses will be an incentive for those who make considerable efforts to maintain their business in operation in spite of all the difficulties caused by legislation which is becoming more and more obscure and regulations which complement this legislation and are prepared by qualified public servants, but do not always reflect the true feelings of the legislators. I am convinced that if we took the trouble of really attacking the main causes of the problem, we could improve the economic situation of our country, and consequently that of all Canadian citizens.

As concerns the fiscal benefits granted to small businesses, I think that they are well deserved, and that they will promote further development. I always support private enterprise, and when I see that the government develops formulas and benefits to help the development of private enterprise, I am convinced that we are on the right track because the private sector allows businessmen to use their energy, develop their talent and prepare a way to encourage others who would be tempted to do more.

An aspect which the Minister of Finance did not really mention is that of benefits for single dwelling owners. We have been asking for a number of years that property taxes be deductible from the income tax. I believe that if this formula were approved, it would be a step in the right direction and would promote residential construction, create employment and assist home ownership.

Mr. Speaker, I would now like to talk about a very important subject on which the minister did not dwell sufficiently in his budget. I mean the farming industry, and more particularly the dairy industry and the cattle industry. Dairy producers are now going through a very difficult crisis which threatens to eliminate a number of producers who have answered in good faith to the appeal of government authorities.

● (1720)

Indeed, Mr. Speaker, in recent years governments at all levels have advocated a policy for larger farms assuming that they would be more viable. The government has even gone further in encouraging farmers to move along that line by increasing loans granted to those who wanted to buy a farm, build up a herd and mechanize their operations.

Building upon that policy for larger farms, a great many farmers got into debt for years and now the federal government refuses to recognize it is responsible for the higher dairy production and to fully assume its responsibilities. An increase in dairy production was to be expected with the launching of this policy for quasi-commercial type of arms. In 1973-74 and 1974-75, the government urged dairy producers to boost their production. A number of producers answered to that requirement by raising a good many heifers that have or will become milking cows.

The government told dairy producers that they are themselves responsible for this situation. However, what the government does not say and should say is that in 1975 Canada imported $56 million worth of dairy products and exported for $36 million—hence a deficit of $20 million.

In the whole, when it comes to farm products such as cattle on the hoof or carcasses, dairy products, eggs, veal, lamb, pork, horse and chicken meat, from a favourable commercial balance of $1 million in 1973, Canada accumulated a commercial deficit of $52 million in 1975. In fact, here is where we stand how: in April 1975, the levy for export costs was 45 cents a hundredweight. The support price was $11.02, the actual price was $10.52.

In April 1976, the export levy went to $1.35 a hundredweight and the support price was raised to $11.45 which reduced the actual price at the producer level at $10.10—a reduction of 47 cents a hundredweight. Furthermore, the quota subjected to subsidies was established at $9.5 billion. In Quebec it will result in a 16 per cent reduction from last year deliveries. The surplus will be penalized to the tune of $8.60 a hundredweight on the farm. But if the producer still delivers more milk in April 1976 than he did twelve months earlier, less 16 per cent, there will be a penalty of $8.60, plus transportation costs, plus the cost of publicity and the joint program which will cost in fact $9.13 a hundredweight.

A producer who marketed 20,000 pounds of milk in April 1975 will see his quota reduced by 16 per cent, or 3,200 pounds. Then his deliveries for 1976 will be restricted to 16,800 pounds. If he is paid $8.50 a hundredweight by the plant plus a $2.66 subsidy and less exportation and other costs, he will get $1,564 for the rest, the 3,200 pounds on which there will be a penalty of $9.13 a hundredweight and he will have to pay a penalty of $292.

● (1730)

If in April 1976, the same producer has turned out, as most of them do, 4,000 additional pounds of milk as compared with 1975 and if he delivers this milk to the plant, he will have to pay on this additional amount a penalty of $9.13 a hundredweight, that is $365.20. The aggregate of penalties will amount to $657.20, and therefore he will in fact be left with only $906.80 for a total production of 24,000

pounds of milk, that is $3.78 a hundredweight. To this the producer will have to add his production cost for the amount of milk produced on which he must pay a penalty of $4.13 a hundredweight.

This amounts in fact to a direct tax on the producer's gross income, the most appalling I have ever seen. This is only one example, Mr. Speaker, Some producers will lose a few thousand dollars this year. Their financial status will be bad, worse than last year, as a result of this reduction in income. And all this is reward for the work that the farmer, as the owner, his wife and children have strived to do.

This is their reward. How can the problem be solved? We must not simply note the facts, we must suggest solutions. Therefore, as a responsible member and spokesman for a large number of people affected by this measure—because my constituents are primarily farmers—I say that the answer of the government was that producers are responsible for this situation and they can manage to solve their own problems.

First of all, have we made all necessary efforts to promote the consumption of dairy products in Canada? Are substitutes not cornering an overly large part of the market? Could anything be done in this regard? Second, why not reinstate the subsidy on the quart of fresh milk? This measure was good in 1973, it would still be good today. It would contribute to increase the consumption of fresh milk and to cut down the substantial surplus of fresh milk and that of industrial milk as well.

In 16 months, in 1973 and 1974, the government paid $108 million in subsidies throughout Canada. That is much more than the industrial milk producers are now asking as compensation for loss of income, for submitting to the quotas the government has decided will apply this year. I shall now speak of the distribution of milk in schools. To achieve that, a practical way of doing so should be found: the government should ask its researchers and economists to work on the project. CIDA could also absorb some of the costs with part of the billion dollar budget it is allotted to help developing countries.

I really believe it is unreasonable to pour down the drain a product Providence enables us to have in Canada. Let us take care for, if we waste too much, some day may come when we are short of the basic necessities and we, in turn, become a famished people. It is unreasonable to ask that category of workers to accept lower incomes in 1976 when the government recognizes the necessity of increases for all other groups in our society to enable them to face the cost of living. Farm producers live in the same country as the others, and also bear the burden of the soaring cost of living. Canada, as compared with many other countries, devotes a smaller portion of its budget to agriculture. Producers are willing to agree with lowering their production.

But this requires that the government give them compensation for the loss of revenue relative to last year. This the Canadian government did in 1969, when we helped the prairie grain farmers faced with an overproduction of grain. The federal government spent $100 million to compensate for the revenue lost by western farmers in not seeding a certain acreage. This week, the government hit eastern farmers on the head, especially those in the province of Quebec, with the partial cancellation of the subsidy on feed grain transportation. I have here a telegram received yesterday from the milling association of the province of Quebec, begging the government to reconsider, because of the tremendous impact on the cattle industry.

In their name I ask the Minister of Finance to consider that request and take corrective measures before it is too late. Since Quebec accounts for almost 50 per cent of the total Canadian milk production and since this is the main farm industry in Quebec, that province will be more severely hit. The last two agricultural initiatives by the federal government are giving fuel to the arguments in favour of separation. Sensible people who firmly believe in federalism are seriously shaken by such measures. This is not an off the cuff suggestion. I have received communications to support that indication.

Last night on television, the Quebec Minister of Agriculture was quite categorical on the subject. Those who heard him must share my view. I will not quote him, but the import of his statement was that he could be anything but satisfied and he did not accept the government's decisions.

So, Mr. Speaker, I beg the government to be more flexible and to accept to spend a few million dollars to save the dairy industry from this disaster. Measures must be taken immediately to hearten the producers who send their milk cows to the slaughter house, which will inevitably lead us to shortages.

Mr. Speaker, during the few minutes I have left before the vote, I would like to deal with the second subject, which came to my mind after I read a release which the Minister of State for Urban Affairs (Mr. Danson) sent to hon. members on April 28, 1975, and which reads:

> . . . The Minister of State for Urban Affairs, the Hon. Barney Danson, and the Minister of Municipal Affairs and of the Environment, who applies the rules of the Quebec Housing Corporation, Dr. Victor C. Goldbloom, have announced that 38 construction projects for 1,435 housing units . . .

. . . will be built. Then the release says:

> Loans amounting to $30,193,489, refundable on a 50-year period at 10⅜ per cent, have been granted by the CMHC pursuant to the agreement of 1974 . . . These loans cover nearly 90 per cent of the construction costs of the projects and the balance will be provided by the Quebec Housing Corporation.

As two communities situated in my riding participate in this program, I asked a question to the minister, which is recorded in the order paper, and we were given the answer on February 23, 1976.

The question was: Were loans made in the riding of Bellechasse, in the municipalities of Saint-Damien and Saint-VAllier, to the Quebec Housing Corporation for building 30 housing units in Saint-Damien and 20 in Saint-Vallier? In answer I was told that indeed an amount of $537,863 was provided for 30 units in Saint-Damien and $292,473 for 20 units in Saint-Vallier. The interest rate, as I just said is 10⅜ per cent. The loans will be repaid over an amortization period of 50 years.

Well, Mr. Speaker, I did some figuring and on the basis of the figures I came up with if the Quebec Housing Corporation repays $57,617.24 a year over 50 years, it will pay $2,342,999 to the Central Mortgage and Housing Corporation—the price of 120 units. And older people will get only 30 of them, the 90 others going to finance. So, on the

basis of those figures, and I had them checked, I am told they are right. The Quebec Housing Corporation will have to pay back the Central Mortgage and Housing Corporation and the Central Mortgage and Housing Corporation will have to pay back the government which will have to pay back those who control—the credit makers—and mint the credit of this nation.

So high finance is well organized, it uses government to put people in debt, to impose obligations upon them, and they do not have to put out money. So I say it is a method of financing that is too costly. We cannot afford to pay that financing—for $537,863 Canadian taxpayers will have to shell out $2,880,862. I feel this is usury. I made the calculations with the same figures provided by the minister at a simple interest of 10⅜ per cent, not compound interest—and that is compound interest. Considering the cost of compound interest in the public sector, I am beginning to understand why Canada's debt since 1867 went from $75 million to $55 billion today. That is why we have a financing system in the public sector that burdens federal government budgets, and it is the same thing with the provinces and the municipalities.

At simple interest, even 10⅜ per cent, the repayment would be only $1,423,667.39 that is $1,961,530.39 in all with capital. That is according to the debt credit system under which we are run. With the credit system based on what we believe to be true, that credit belongs to society with true social credit and of which only the administration costs would have to be paid, we would pay back $10,757.26 a year on the capital and we would pay administration costs at 1½ per cent. It means that at the end of the year through credit created by the Bank of Canada instead of chartered banks, because one must recognize that the public sector is different from the private sector, the money market would be freed for the private sector, interest rates would go down. Inflation would be fought effectively and so would unemployment. And I think it would be a good thing to accept that formula; that is what I am asking the Minister of Finance.

● (1740)

[*English*]

Mr. Deputy Speaker: Order, please. It being 5.45 o'clock p.m., it is my duty, pursuant to section (6) of Standing Order 60, to interrupt these proceedings and put forthwith every question necessary to dispose of the amendment to the amendment now before the House.

The question is on the amendment to the amendment. All those in favour of the amendment to the amendment will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the amendment to the amendment (Mr. Saltsman) which was negatived on the following division:

(*Division No. 137*)

YEAS

Messrs.

Allard
Beaudoin
Benjamin
Blackburn
Broadbent
Caouette
(Villeneuve)
Dionne
(Kamouraska)
Douglas
(Nanaimo-Cowichan-
The Islands)
Fortin
Jones
Knowles
(Winnipeg
North Centre)
Lambert
(Bellechasse)
Leggatt
Matte
Nystrom
Orlikow
Peters
Rondeau
Saltsman
Symes—20

NAYS

Messrs.

Abbott
Alexander
Alkenbrack
Allmand
Anderson
Andras
(Port Arthur)
Andre
(Calgary Centre)
Andres
(Lincoln)
Appolloni (Mrs.)
Baker
(Gander-Twillingate)
Baker
(Grenville-Carleton)
Balfour
Beatty
Béchard
Bégin (Miss)
Blais
Blouin
Breau
Buchanan
Bussières
Caccia
Cadieu
Cafik
Campagnolo (Mrs.)
Campbell (Miss)
(South Western Nova)
Campbell
(LaSalle-Émard-Côte
Saint-Paul)
Caron
Chrétien
Clark
(Rocky Mountain)
Clermont
Comtois
Condon
Corbin
Corriveau
Crouse
Cullen
Cyr
Darling
Daudlin
De Bané
Demers
Dick
Dinsdale
Dionne
(Northumberland-
Miramichi)
Douglas
(Bruce-Grey)
Drury
Duclos
Dupont
Dupras
Duquet
Ellis
Elzinga
Epp
Ethier
Faulkner
Fleming
Flynn
Forrestall
Foster
Fox
Francis
Fraser
Friesen
Gendron
Gillespie
Goodale
Goyer
Grafftey
Gray
Guay
(St. Boniface)
Guay
(Lévis)
Guilbault
Haidasz
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hamilton
(Swift Current-
Maple Creek)
Harquail
Hees
Herbert
Hnatyshyn
Hopkins
Howie
Huntington
Hurlburt
Isabelle
Jamieson
Jarvis
Jelinek
Johnston
Joyal
Kaplan
Kempling
Knowles
(Norfolk-Haldimand)
Korchinski
Lachance
Lajoie
Lalonde
Lambert
(Edmonton West)
Landers
Lang
Laniel
Lapointe
La Salle
Lawrence
Leblanc
(Laurier)
LeBlanc
(Westmorland-Kent)
Lee
Lessard
Loiselle
(Chambly)
Loiselle
(Saint-Henri)
Lumley
MacDonald
(Cardigan)
Macdonald
(Rosedale)
MacDonald (Miss)
(Kingston and the
Islands)
MacEachen
MacFarlane
MacGuigan
MacKay
MacLean
Macquarrie
Maine
Marceau
Marchand
(Kamloops-Cariboo)
Martin
Masniuk
Mazankowski
McCain
McCleave
McIsaac
McKenzie
McKinley
McKinnon
McRae
Milne
Mitges
Munro
(Esquimalt-Saanich)
Munro
(Hamilton East)
Murta
Neil
Nicholson (Miss)
Nielsen
Oberle
O'Connell
Olivier
O'Sullivan
Ouellet
Paproski
Parent
Pelletier

Messrs.

Penner
Philbrook
Pinard
Portelance
Poulin
Prud'homme
Railton
Raines
Reid
Reynolds
Richardson
Ritchie
Roberts
Robinson
Rompkey
Roy (Timmins)
Roy (Laval)
Sauvé (Mrs.)
Schellenberger
Schumacher
Scott
Sharp
Skoreyko
Smith (Churchill)
Smith (Saint-Jean)
Stanbury
Stanfield
Stevens
Stewart (Marquette)
Stollery
Towers
Trudeau

Messrs.

Trudel
Turner
Wagner
Watson
Wenman
Whelan
Whittaker
Wise
Woolliams
Yanakis
Young—192

Mr. Speaker: I therefore declare the amendment to the amendment lost. It being after six o'clock, this House stands adjourned until two p.m. tomorrow.

At 6.12 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, June 3, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*Translation*]

AGRICULTURE

SUGGESTED RETENTION OF QUOTAS FOR QUEBEC MILK PRODUCERS—CANCELLATION OF FEED GRAIN SUBSIDY—MOTION UNDER S.O. 43

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, pursuant to the provisions of Standing Order 43, I request the unanimous consent of the House to present a motion dealing with an important matter of national urgency.

Given the fact that under the new dairy policy Quebec industrial milk producers stand to lose over $100 million in income; that, by the Minister of Agriculture's own admission, producers have generally respected their quotas and are in no way responsible for the present surpluses, and that, consequently, those producers should not be penalized for an over-production to which they did not contribute, I move, seconded by the hon. member for Joliette (Mr. La Salle):

That the government accept the principle of a compensatory subsidy to those Quebec milk producers who, in the last dairy year, have respected their quotas, or that it exempt them from the pertinent provisions of its dairy policy; that, in addition, the government defer application of its new policy on the feed grains transport subsidy until such time as the producers concerned have been consulted and the new substitute programs promised by the government have been announced.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under Standing Order 43, his motion requires unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: As there is not unanimous consent, the motion cannot be put.

* * *

[*English*]

EXTERNAL AFFAIRS

SUGGESTION THAT SOVIET AUTHORITIES DEAL WITH CASE OF VALENTYN MOROZ ACCORDING TO HUMANITARIAN PRINCIPLES—MOTION UNDER S.O. 43

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I rise under the provisions of Standing Order 43 to move a motion of urgent and pressing necessity. There have been consultations with all parties and I believe there is a disposition to have this motion passed. I am informed that a decision concerning the mental health of Ukrainian historian, Valentyn Moroz, by officials at the Serbsky Institute of Forensic Psychiatry in Moscow is to be made on June 10, following which Mr. Moroz may be transferred to a psychiatric prison hospital. I move, seconded by the hon. member for Hamilton West (Mr. Alexander):

That this House express the hope that cases such as that of Valentyn Moroz will be dealt with in accordance with the principles covering human rights and fundamental freedoms and other relevant principles in the Helsinki final act.

Mr. Speaker: Such a motion pursuant to the provisions of Standing Order 43 can be presented to the House only if there is unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

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

Some hon. Members: Agreed.

Motion agreed to.

Some hon. Members: Hear, hear!

● (1410)

ORAL QUESTION PERIOD

[*English*]

SUPPLY AND SERVICES

LOCKHEED CONTRACT—DATE OF MINISTER'S KNOWLEDGE OF FUNDING SHORTFALL

Mr. Joe Clark (Leader of the Opposition): Sir, my question is to the Minister of Supply and Services. I should like to ask the minister a question with regard to precisely when he personally became aware of the shortfall in financing of the proposed contract with Lockheed. His parliamentary secretary is on record as stating that the minister did not learn of this problem until January. The minister himself said it was in mid or late December. Having now had full opportunity to check the record, can the minister confirm that he was not informed of the funding shortfall until after the telex of December 2 to Lockheed?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I would like to make an essential distinction regarding the hon. member's question. Of course, I knew there was a cash flow problem at the Department of National Defence before December 2, but on

December 2 they assured me that problem could be solved and the financing was assured; that is what prompted me to send the telex. However, it was not until the middle or the end of December that I learned that Lockheed was unable to supply the financing. If my parliamentary secretary said in his reply that it was in January, I apologize for it.

[*English*]

LOCKHEED CONTRACT—KNOWLEDGE OF MINISTER OF CONTENTS OF MEMORANDUM FROM DEPUTY MINISTER

Mr. Joe Clark (Leader of the Opposition): I wonder whether the Minister of Supply and Services has any further corrections he would like to make to the record he has given to the House in answer to questions with regard to the date of his knowledge and the extent of his knowledge of any shortfalls which were involved in the arrangements with Lockheed. Can he tell us, in particular, whether he was told in an aide-mémoire from his deputy minister, Mr. Desroches, dated December 1, before the telex was sent to Lockheed, that there was a financial risk having regard to the company's overall situation, that the approved budget of the Department of National Defence was not sufficient to meet the cash flow requirement of the early years of the contract and that there would be some $100 million in interest costs which had not been budgeted for?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I am a little surprised to find that an aide-mémoire addressed to me by my deputy minister is in the hands of the opposition. It is a lack of basic ethics. At any rate it is not the first document to fall by chance into the hands of the opposition, and I think it is unfortunate.

Some hon. Members: Just answer the question.

Some hon. Members: Who are you?

Mr. Goyer: I see that members opposite are very touchy when they are told a few home truths.

Some hon. Members: Oh, oh!

Mr. Goyer: At all events, Mr. Speaker, . . .

[*English*]

Mr. Fairweather: Truth is a five-letter word.

Mr. Goyer: Did the hon. member say that I am lying to the House now? Was that his remark? Stand up and say it!

Mr. Paproski: Just answer the question, that is all.

[*Translation*]

Mr. Goyer: Mr. Speaker, I repeat to the House that on December 2 I sent a telex with the agreement of the Department of National Defence. The latter was to see about financing the contract according to conditions stipulated in the contract draft, conditions that every party involved was aware of.

[*English*]

Mr. Clark: A supplementary question, Mr. Speaker. Did the minister know at the time of the sending of the memorandum that the approved budget of the Department of National Defence was not sufficient to meet the cash flow requirements of the early years of the contract? Did he know that there would be some $100 million in interest costs which were not budgeted for? Did he know that there was a final financial risk because of the company's over-all situation? Did he know those three things?

[*Translation*]

Mr. Goyer: Mr. Speaker, with regard to the financial risk involved in dealing with Lockheed, the government felt that the risks were not so great at that time, therefore we could deal with the company. Such was the government's opinion.

Further, on December 2 I did not know yet that the Department of National Defence would need $100 million for interest charges. I said a moment ago that I knew there was a problem of cash flow within the Department of National Defence, but that it would provide for the budgetary deficiencies.

[*English*]

MINISTER'S ACCUSATIONS AGAINST DEPARTMENTAL OFFICIAL—POSSIBILITY OF CHANGE

Mr. Joe Clark (Leader of the Opposition): A final supplementary question, Mr. Speaker. Is the minister prepared to change in any way the accusations that he made against officials of his department in the statement he made the other day, in light of this new information which he has now presented to the House?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, the hon. member neither read nor listened to my statement.

Some hon. Members: He was not here.

Mr. Goyer: Or else he was ill informed. Then his information system is inadequate at the official level, if it is not as regards detectives. I will say to the hon. member, Mr. Speaker, that the civil servant who was replaced on the project management committee by my deputy minister had changed a text he had read to me personally in the presence of the deputy minister. That is unacceptable. I took my responsibilities and if I had to do it again, I would, because I will not stand for being fed false information and then pass it on to the House and the public. That is essential.

[*English*]

LOCKHEED CONTRACT—REASON FOR NOT ASKING FOR WRITTEN COMMITMENT FROM COMPANY IN VIEW OF INFORMATION IN DEPUTY MINISTER'S MEMORANDUM

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, I have a question for the Minister of Supply and Services. In answer to my question yesterday the minister said that if he had had the information on Lockheed's shortfall he would not have signed a formal contract and sent the telex

to Lockheed on December 2. In view of the memorandum to the minister of December 1 in which the financing requirements of Lockheed and the shortfall were made very clear, would the minister say why he did not make the contract with Lockheed conditional upon Lockheed firming up their commitment in writing?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, the draft contract containing all the main items which had been negotiated and agreed upon by both parties had been prepared by the LRPA project management group, therefore with the knowledge of all the departments involved. That document was of course the basis of the contract which was proposed between Lockheed and the Crown.

● (1420)

[*English*]

Mr. Bawden: Mr. Speaker, in spite of the statements by the minister, it is clear now beyond the shadow of a doubt that the minister and a number of his senior officials were fully aware—

Some hon. Members: Question, question.

Mr. Speaker: Order, please.

LOCKHEED CONTRACT—INFORMATION ON FUNDING SHORTFALL AT CABINET MEETING OF NOVEMBER 27—DATE OF APPROVAL OF INTEREST PAYMENT

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, would the Prime Minister inform the House whether he and other members of the Cabinet knew of the existence of the shortfall on or during the Cabinet meeting of November 27, which was prior to sending the telex on December 2, and, when the government approved the payment of some $100 million in interest charges to the Lockheed Corporation, did this approval take place before or after December 2?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will want to give this answer to the House, but I must confess that I do not have the exact schedule of events and the calendar of them in my mind.

An hon. Member: Is it too complicated?

Mr. Trudeau: Maybe it is to you, but I do not see anything complicated about it. The hon. member has asked a legitimate question and I understand the interest of the House in having these dates. I am confessing to parliament now that I do not have those exact dates. I can give an explanation to the House of what went on in my mind. It is that we knew the Department of National Defence did not have the cash to finance an outright purchase; we knew that there would have to be some borrowing; and we knew, therefore, we would have some interest to pay for that borrowing; we were hoping that the LRPA bridge financing would be provided by Lockheed, but I cannot at this stage give the exact dates on which those facts came to my knowledge. I will undertake to look at the cabinet minutes and answer the hon. member's legitimate question.

Mr. Broadbent: Mr. Speaker, to refresh the right hon. gentleman's memory, it is my clear understanding that the decision to pay the $100 million was made by the Treasury Board subsequent to December 2. If that is the case, I would ask the Prime Minister why the telegram or the telex was sent off, clearly implicating the government of Canada in a legal commitment to the Lockheed Corporation that did not exist before, when presumably the government was not fully aware of the additional $100 million that would have to be supplied by the people of Canada?

Mr. Trudeau: Mr. Speaker, I thank the hon. member for having consulted the minutes for me, but I prefer to do it myself and perhaps give him an answer. I think the House will want to remember that the Minister of National Defence indicated yesterday that the beginning of December was a deadline for us, and if we went beyond that deadline we would certainly not be able to purchase the LRPA from Lockheed under the conditions which it had submitted. It was important at that point to keep the contract alive if we wanted to fulfil our commitment to the defence forces of Canada, our commitment to the NATO force and our commitment to our allies. That is the reason we did not want a hiatus between the expiration date and government action. Even with hindsight, I think we did the right thing.

I want to remind the House that we did decide very shortly before to be very strict in our fiscal guidelines and our expenditure decisions, and we knew we would not be able to buy these outright. Therefore, it was clear to us for several months that we had to find more financing. The misunderstanding was explained to the House several months ago by the Minister of National Defence. It was between the Lockheed Company and one of his officials. It was a verbal agreement on which I think the minister said perhaps we acted imprudently, but we did so in good faith based on this verbal agreement.

* * *

NATIONAL DEFENCE

LOCKHEED CONTRACT—AUTHORITY OF COMPANY OFFICIAL TO GIVE VERBAL UNDERTAKING ON FINANCING

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, the Prime Minister took a long time not to answer the question. I should like then to ask the Minister of National Defence if he would confirm to the House that the person from whom he or his officials received the oral commitment from Lockheed was in fact a person who worked in the marketing section of the Lockheed Corporation and not in the finance department of Lockheed and therefore was not likely to be in a position to know the details about the financial capacities of the Lockheed Corporation and certainly was not in a position of authority to give any kind of commitment to the government.

Hon. James Richardson (Minister of National Defence): Mr. Speaker, it is correct that the conversation which General Allan had was in the first instance with Mr. Dale Daniels who is in the marketing side of the Lockheed Company but General Allan asked Mr. Daniels to confirm with whatever officials he wished to in the finance depart-

ment of Lockheed and it was a day or two later after those consultations with the proper authorities in Lockheed that Mr. Daniels called back—

Mr. Broadbent: What date was that?

Mr. Richardson: —and reported the Lockheed position. It was not just the opinion of one man in the marketing department.

* * *

[*Translation*]

AGRICULTURE

PRESENCE OF INDUSTRIAL MILK PRODUCERS ON PARLIAMENT HILL—GOVERNMENT POSITION TO SETTLE THEIR PROBLEMS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to put a question to the right hon. Prime Minister. Is the Prime Minister aware that there are today on Parliament Hill from 8,000 to 10,000 industrial milk producers, and that many have come from 700 or 800 miles away, that is beyond Rimouski or Témiscouata? Would he then advise the House whether the Minister of Agriculture will meet with those producers this afternoon and whether negotiations are under way between the Canadian Dairy Commission and the management committees concerning the settlement of the industrial milk issue?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this matter was discussed a while ago at the cabinet meeting and we have delegated the Minister of Agriculture, the Minister of Regional Economic Expansion, the Minister of National Health and Welfare, the President of the Treasury Board and the Minister of Communications to meet with them. The meeting took place, but unfortunately I have not yet been informed of its outcome.

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

Would the right hon. Prime Minister tell whether he thinks it will be possible to have or to complete these negotiations this afternoon and whether farmers will be able to get an answer before heading back home?

Mr. Trudeau: Mr. Speaker, I have just indicated that that meeting has been held and that I have received no report. I know the farmers' case has been heard with an open mind. In addition to the ministers I have named some twenty Liberal hon. members were in fact at that meeting. I am expecting a report on the meeting.

Mr. André Fortin (Lotbinière): Mr. Speaker, with your leave, I direct my question to the President of the Treasury Board, having just heard from the Prime Minister that he attended the meeting.

Considering that the President of the Treasury Board was at that meeting, is he in a position to inform the House of the decisions which were taken, if any?

Mr. Trudeau: Mr. Speaker, the Parliamentary Secretary to the Minister of Agriculture, the hon. member for Sherbrooke, informs me that the meeting is going on now, that of course some ministers are in the House to answer the questions of the opposition but that the meeting is not completed. Therefore we have not received the final report.

* * *

TRANSPORT

CANCELLATION OF FEED GRAIN FREIGHT SUBSIDY

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, my supplementary about this same matter is for the Minister of Transport.

I would like to ask him whether he has examined the protests raised by Quebec Agriculture Minister Kevin Drummond, and those raised by concerned groups against the removal of the feed grain freight subsidy and whether he intends to confer immediately with Mr. Drummond or the representatives of Quebec agricultural organizations with a view to finding a solution to hardships caused to Quebec producers by the government decision?

● (1430)

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, meetings of that type have been held and certainly will continue. The Minister of Agriculture and I met with Mr. Drummond some time during the course of the winter to discuss the matter. On Monday, prior to the announcement, officials were here discussing it and the implications for the future of the programs that will be available for grain deficient areas.

* * *

NATIONAL DEFENCE

LOCKHEED CONTRACT—DATE ON WHICH CABINET INFORMED OF NEED TO PAY INTEREST BECAUSE OF SHORTFALL IN FUNDS

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of National Defence. Yesterday we witnessed the unedifying sight of two ministers quarrelling over who was responsible for the $16 million waste—

Some hon. Members: Hear, hear!

Mr. McKinnon: Could the Minister of National Defence advise the House if it was at the meeting on November 27 of the cabinet that the cabinet was informed of the requirement for funds to pay the interest on borrowing needed because of the DND shortfall?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I would like to say first of all that my statements yesterday and those of my colleague indicated very clearly that we were working together on this project.

Some hon. Members: Hear, hear!

Mr. Richardson: It was at the cabinet meeting of November 27 that the cabinet document containing the reference to the need for financing and the provision of

approximately $100 million for that purpose was considered. I, like the Prime Minister, would have to check the records to see whether there was a cabinet decision on that subject or whether it was subsequently at Treasury Board but it certainly was very clearly before cabinet for consideration on November 27.

Mr. McKinnon: Mr. Speaker, I would appreciate it if the minister would check the minutes of that meeting. At the Standing Committee on External Affairs and National Defence on May 27 the minister supported General Allan when he said that the agreement with Lockheed was put to the cabinet on November 14, considered on November 27 and the minister said: "... the fact that cabinet approved interest payments and which as I said are in the blue book, indicate that cabinet knew there was a shortfall." The Minister of Supply and Services denied knowledge of the shortfall. He said that in reply to a question from the hon. member for Winnipeg South Centre. Does the minister wish to withdraw the statement which he made to the committee or are we to understand that one of the two ministers has misled the House and is continuing to do so?

Mr. Richardson: Mr. Speaker, the estimates from the Department of National Defence that are before the House in the blue book show $1,061,000,000 for this program of which $953 million is for the main project and the remainder, which is about $107 million, is the interest. It is in the blue book and it is before the House.

* * *

[Translation]

TRANSPORT

CANCELLATION OF FEED GRAIN FREIGHT SUBSIDY—GOVERNMENT ACTION TO COMPENSATE PRODUCERS

Mr. Roch La Salle (Joliette): Mr. Speaker, my question is for the Minister of Transport.

Could the minister explain why, contrary to what he suggested, a significant part of the population of the province of Quebec was deprived of the subsidy provided for the transportation of feed grain before announcing the alternative programs or compensatory measures which he mentioned? When does the minister intend to announce those programs which could make up for the great loss which Quebec producers will suffer?

[English]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, that last statement is not true at all. The program for the increased production of grain is a broad one and certainly always tended to favour in many ways, as indicated, those areas which are grain deficient but have potential. It is therefore a positive program on the side of making an area more self-sufficient. There is no detriment through the removal of the feed freight assistance. In many circumstances the grain is being purchased in the area of Ontario and Quebec because the adjustment will take place on an equivalent basis to the offering prices by the Canadian Wheat Board. It is only if grain is priced at very low levels the real freight will make a difference and at that point obviously by definition the grain will be at an economic rate.

[Translation]

Mr. La Salle: Mr. Speaker, I wish to put a supplementary to the right hon. Prime Minister.

Considering that with the recent measures included in the dairy policy, the Quebec milk producers will lose $100 million in gross revenue, that many milk producers are now in Ottawa, and that there is a meeting with some ministers and government officials, would the right hon. Prime Minister be prepared to recommend a direct subsidy to make up for those direct losses suffered by each milk producer?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if the hon. member wants me to consider his proposal, I must point out first that this year we increased the subsidy to about $86 million. The hon. member wants us to be more generous, but I know he will not take the money out of his pocket. He should indicate what other government program he wants us to cut if we are to find the $100 million.

* * *

[English]

INQUIRY OF THE MINISTRY

Mr. Leonard C. Jones (Moncton): Mr. Speaker, my question is directed to the right hon. Prime Minister. In view of the series of recent events which have created serious unemployment and severe economic conditions in the Moncton area, would the Prime Minister be good enough to advise the House of the following: What is the status regarding the rumoured closure of Canadian Forces Base Moncton; is the Department of Supply and Services establishing operations and facilities in Moncton; are there plans for the erection of a public service training school in Moncton; what other government facilities are likely to be decentralized to Moncton—

Mr. Speaker: Order, please. With all due respect to the hon. member I am sure that information ought to be sought by way of a question on the order paper.

* * *

[Translation]

AIR TRANSPORT

POSSIBILITY MR. BENOÎT SAINTE-MARIE WILL BE APPOINTED MEMBER OF KEENAN COMMISSION AND USE EXPERT CONSULTANTS

Mr. Serge Joyal (Maisonneuve-Rosemont): Mr. Speaker, my question is intended for the Minister of Transport.

In view on the fact that following a meeting with representatives of the Department of Transport on Monday May 31, the representatives of the l'Association des gens de l'air du Québec asked the Minister of Transport in a letter to appoint another member to the inquiry commission headed by Mr. John Keenan, and that the terms of reference of the Keenan Commission provide for the hiring of experts and consultants, could the Minister of Transport inform the House whether he intends to comply with the request made by the association for the appointment of Mr. Benoît Sainte-Marie to the Keenan inquiry commission, and to

hire the experts and consultants required by the commission to carry out the terms of reference given to it by the cabinet?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the matter is too complex to respond to at this point without some further reflection and indeed I propose to attempt to explain my view of the situation at a meeting I hope to have at a later date with representatives of the l'Association des gens de l'air. I indicated the last day my reasoning behind the appointment of Mr. Keenan and hon. members will know much of the background that concerns it. It is expected of course that Mr. Keenan will be selecting people to advise him, and I understand he may be making some indication of that in the very near future.

* * *

COMMUNICATIONS

REASON FOR GOVERNMENT ACTION TO ESTABLISH PAY TELEVISION—EFFECT ON CANADIAN PROGRAMS

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I have a question for the Minister of Communications. In view of the fact that pay television would further reduce audiences for many Canadian television stations and hence would reduce revenues for production of over air broadcasts, thus subverting the intent of the Canadian Broadcasting Act, and in view of the fact that the CRTC in a policy paper of December 16, 1975 concluded it was premature to have pay television in Canada at this time, why is the government rushing to have pay television in place at the end of the year when it will have such a disruptive and negative effect on over air broadcasts?

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, I think the hon. member would agree that pay television is inevitable. The fact that it is inevitable does not necessarily mean it should be disruptive to the system as we have built it presently; therefore we are not rushing into the introduction of pay television but, on the contrary, we are trying to envision how pay television can be introduced in this country in an orderly fashion. We are also trying to envision how it can be integrated into the present system, and most of all, how it can be used to generate more revenues in the broadcasting industry, thus enhancing our position in producing better quality Canadian programs.

● (1440)

Mr. Symes: In view of the admission by the CRTC that at least in its initial period pay TV will depend on foreign produced material for its financial success, what guarantee can the minister give that the majority of pay TV revenues will not go to acquire foreign programs, to the detriment of Canadian program production?

Mrs. Sauvé: If the hon. member had read the speech I made yesterday, he would realize that I said that in order to avoid that the revenues derived from the distribution of foreign programs for Canadian viewing, some kind of structure should be set up. I gave a few suggestions as to what these structures could be. I suggested some kind of structure which would ensure that those who purchased the programs would put the revenues derived from the viewing of those programs into the system of pay television to produce more Canadian programs which then could be fed back into the pay television system.

* * *

ENVIRONMENTAL AFFAIRS

REPORT ON PCB IN GREAT LAKES FISH—REQUEST FOR DETAILS OF FINDINGS

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, in the absence of the Minister of the Environment I will direct my question either to the acting minister, the parliamentary secretary or possibly the Minister of National Health and Welfare. In light of the federal government's task force background report regarding the presence of the toxic chemical PCB in great lakes fish—in fact, that report is now available, and I presume it will be tabled today—and in view of the fact that a press conference is scheduled for 3.30 this afternoon, I ask the minister or parliamentary secretary to tell the House, so that we might have the benefit of that knowledge at the same time as the press, some of the highlights. In particular, will the minister or the parliamentary secretary confirm that the report discloses levels of PCB which are eight times higher than acceptable levels, according to health authorities? If such is the case, what action will be taken—or will any action be taken—under the Environmental Contaminants Act, and if so, when?

Mr. George Baker (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, the hon. member is correct. The report will be tabled this afternoon. There are some findings in the report. It really depends upon what part of Canada the hon. member is talking about and what he means by health standards.

As the hon. member knows, we inspect all fish from the great lakes which is sold. The great lakes area is the most contaminated area, particularly the Lake Ontario portion. However, none of this fish is passed on to the consumer because we have the fish inspection branch, and our standards are very strict. In fact, they are some of the strictest standards in the world for PCB's in fish, so I suggest to the hon. gentleman that he read the report, and then the matter can be discussed openly.

Some hon. Members: Hear, hear!

* * *

AIR TRANSPORT

ALLEGATION CONCERNING INQUIRY INTO BILINGUAL AIR TRAFFIC CONTROL—POSITION OF MINISTER

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is directed to the Minister of Transport. I hope the minister is aware that a great deal of uncertainty has been created amongst air traffic controllers across the country by an ambiguous statement in the *Globe and Mail* this morning indicating that officials of his department have said to representatives of Gens de l'air du

Québec that a planned inquiry into air traffic control is no more than a marketing operation to sell bilingualism. Is the minister in a position today to comment on that statement, and particularly on that marketing notion, or would he be prepared to do so tomorrow? It is very disquieting.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I followed up on the matter as soon as the report came to my attention, and what I suspected was confirmed: that any such reference was taken quite out of context. It is true that my officials had made the very obvious point that even after the report of the commission there would be a very important public relations matter to be dealt with in order to assure the public of Canada that safety is indeed protected in the procedures we have developed. It was in that context that the statement was made.

Of course, it has been our aim all along to reassure that safety is a foremost consideration. Consistent with that we believe that bilingual air traffic control can be developed in the province of Quebec with the appropriate procedures, and that, of course—to ensure that that is the case—was a purpose of the appointment of the Keenan Commission.

POSITION OF PRIME MINISTER ON BILINGUALISM FOR FLIGHT CREWS OF AIRCRAFT

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a supplementary question for the Prime Minister, but he is not in his seat now.

An hon. Member: Don't rush him.

Mr. Nielsen: The Prime Minister probably did not hear the question from a member on this side and the answer by the Minister of Transport. The question had to do with the inquiry into the air traffic control requests with respect to bilingualism in air traffic control in the province of Quebec. In the interests of safety, and because the matter is of some concern as the Prime Minister discovered in his most recent visit to Vancouver, and in order to reassure the travelling Canadian public, would the Prime Minister adopt and enunciate as government policy just as quickly as possible the suggestion that the government has no business in the cockpit of the nation's airlines?

Some hon. Members: Oh, oh!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member knows about the government's official languages policy because his own party supported that policy, and it applies to all federal institutions. It would be useful if he would remind himself of that.

Since I am reminding the hon. member of something, let me remind him that the last time we had an exchange in the House he promised to look at a certain press clipping which indicated he did not believe what I said. He was either going to correct that or confirm it in some way. Let me just remind him that he has not found time to do that.

Some hon. Members: Hear, hear!

Mr. Nielsen: I will do that immediately, but in the meantime, let me remind the Prime Minister that the cockpits of the nation's airlines are not exactly government institutions.

Some hon. Members: Hear, hear!

Mr. Nielsen: I read the press clipping, which the Prime Minister's staff very kindly supplied to me, from, I believe, the Montreal *Gazette* at the moment of my departure on the day we had that exchange, and I found that in that article nowhere am I quoted as having said the word he says the article attributes to me. I found also that there were several errors in the article, including the statement that I am a former member of the RCMP. So, if the Prime Minister does have the kind of quotations in articles to which he was referring, I would be very pleased to consider them, and if any apologies are necessary, they will be forthcoming.

Mr. Paproski: And I hope it is vice versa.

* * *

SUPPLY AND SERVICES

LOCKHEED CONTRACT—REQUEST FOR TABLING OF MEMORANDUM FROM DEPUTY MINISTER DATED DECEMBER 1

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, yesterday I endeavoured to secure from the Prime Minister his undertaking to place on the table of the House the minutes of the cabinet dealing with the mysterious matter which was referred to earlier by the Leader of the Opposition, and the Prime Minister's attitude did not indicate that passionate love he advocated internationally at the Habitat Conference.

However, I now presume to ask the Minister of Supply and Services whether he will table the aide-mémoire referred to by the Leader of the Opposition dated December 1. After all, it should be very easy to produce that, unless there is some reason to hide it, too.

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, it is evident that there is a lack of communications between the previous Progressive Conservative Party leader and the present one, since the hon. member's query at the very beginning of the question period had to do precisely with an internal document. Then, the hon. member only had to ask his dear colleague!

● (1450)

[*English*]

Mr. Diefenbaker: Mr. Speaker, I simply ask whether the aide-memoires will be produced. If it is not, I remind the hon. gentleman of Cromwell's words in the Long Parliament, paraphrased: "In the name of God, go." We say, "Go Goyer. Go Goyer, now!"

* * *

PUBLIC SERVICE

REQUEST FOR RECONSIDERATION OF REDUCTION IN NUMBER OF POSTAL EMPLOYEES

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

view of the continuing high unemployment rate in Canada and the further deterioration in postal service brought about by Treasury Board's decision to cut 305 man years from the postal service, would the minister now reconsider this decision?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, the answer is no.

[*English*]

Mr. Dinsdale: A supplementary question, Mr. Speaker. Am I to take it from the President of the Treasury Board's answer, Mr. Speaker, that he favours expenditures for unemployment insurance and welfare rather than for payment of wages for urgently needed work?

[*Translation*]

Mr. Chrétien: Mr. Speaker, we are now under a budgetary restraint period, which is indeed supported by most members of the opposition, if not by the hon. member himself.

* * *

[*English*]

MANPOWER

JOB-CREATION PROGRAM—POSSIBILITY OF EARLY ANNOUNCEMENT

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of Manpower and Immigration. It has to do with his comments yesterday concerning the creation later this year of a new, year-round multi-faceted direct job creation program.

An hon. Member: What a phrase!

Mr. MacDonald (Egmont): As the minister referred to this program as being related to areas of high unemployment affected by seasonal or cyclical factors, can he indicate what consultation has taken place with the various provinces which obviously have a direct stake in it and whether, because of the extended time needed to make the program effective, there will be an announcement about the program before the summer recess?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, there will be no further announcement about the program before the summer recess apart from my comments yesterday, in which I clearly indicated—

Mr. Paproski: What summer recess?

Mr. Andras: —that we intend to design the program for presentation to parliament in the fall.

Mr. Paproski: What summer recess?

Mr. Andras: If there is a summer recess. There will be, of course, discussions with my colleagues in the provincial governments. Ongoing discussions are naturally in order. As I said yesterday, we have a conference of federal and provincial manpower ministers scheduled for the fall.

ALLEGED CANCELLATION OF COMMUNITY EMPLOYMENT STRATEGY PROGRAM—CONSULTATION WITH PROVINCES

Mr. David MacDonald (Egmont): A supplementary question, Mr. Speaker. As some provincial premiers seem to be upset by the obvious lack of consultation in this area, and the cancellation last December of a program known as the community employment strategy, may I ask what information the minister conveyed, either to the premiers or the ministers responsible in the provinces, as to why these programs were terminated a few months ago?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, the hon. member is incorrectly informed. The community employment strategy program has not been cancelled. It was reconfirmed by cabinet decision last fall and is an ongoing developmental program in which I have a great deal of faith and commitment. There have been discussions with provincial ministers. I have met provincial ministers bilaterally on many occasions. I met with them regularly, in concert, and as recently as two weeks ago we definitely agreed that we have in place now a consultative mechanism which satisfies both the federal and provincial governments. Indeed, I think they were enthusiastic about my reaction on that occasion.

* * *

SUPPLY AND SERVICES

LOCKHEED CONTRACT—REASON FOR RELEASE OF LIABILITY TO COMPANY AND ACTION AGAINST MR. STOPFORTH

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question is directed to the Minister of Supply and Services. In answer to a question asked by the hon. member for Oshawa-Whitby, the Minister of National Defence indicated that not only had he received assurances from the director of marketing of Lockheed, but had received confirmation two days later of the capacity of Lockheed to provide front end financing. The letter which the minister tabled recently, in which he extended the option for one month, provided for a full release of liability with regard to the Lockheed corporation. Since those assurances were given by Lockheed, why was it necessary to have a full legal release from Lockheed in the document? Clearly, when the minister sent the telex on December 2, there was no legal liability because of the assurances Lockheed had given.

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, the hon. member is asking me for a legal opinion, and I am obviously not a legal adviser to the government. However, I will simply say that the document of March 30, to which the hon. member refers, had nothing to do with the verbal offer made by Lockheed to finance part of the contract.

[*English*]

Mr. Leggatt: A supplementary question, Mr. Speaker. Since the information which the Minister of National Defence gave this House concerning those assurances of Lockheed was information which Mr. Stopforth had, it means that if the Minister of National Defence and his

officials were misled, surely the Minister of Supply and Services and his officials were misled. My question is this. Since there was this misrepresentation from Lockheed, why is Mr. Stopforth's head on the block? Clearly, he is as innocent as anyone else. Why is he carrying the can for this?

[*Translation*]

Mr. Goyer: Mr. Speaker, it is quite simple and I already gave this explanation in the House. A first version was given me in the presence of my deputy minister, who is the administrative head of the department regarding civil servants. I thus received a version from Mr. Stopforth to the effect that he was not aware of such a verbal offer. Later on, Mr. Stopforth decided to change his version. In my opinion, this is fundamental: he misinformed me and under the circumstances I had no choice.

[*English*]

Mr. Baker (Grenville-Carleton): The minister's attitude is tantamount to conviction before trial. I do not like your way of going about this.

* * *

TRANSPORT

REPORT ON USE OF UNIT TRAINS TO CARRY GRAIN TO ATLANTIC PORTS—REQUEST FOR TABLING OF SUPPORTING DOCUMENTS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I direct a brief question to the Minister of Transport? Is the minister in a position to indicate to the House by way of report or otherwise the findings of the task force which was established for the purpose of reviewing Bill C-87? May I ask him, as a supplementary question, whether he will be prepared at the appropriate time to table the documentation accompanying that report, documentation particularly which relates to the integral train concept which is to replace the subsidy?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, any reference to a task force should be specifically in relation to the question of unit trains for grain going directly to the Atlantic ports. I have received an informal, preliminary report, but the final report is not available. When it is I anticipate being able to let the hon. member know about the results.

Mr. Forrestall: A supplementary question, Mr. Speaker. Could the minister give some indication of the time frame about which he is talking? As he knows, there is no money in the estimates to meet the requirements of that particular section of the Railway Act.

Mr. Lang: Mr. Speaker, we will worry about the problem of money when the time comes. I cannot give a precise time. One of the elements involved is a satisfactory agreement about rail rates. One may begin by taking a certain position with the railways and, hopefully, end with another position. That is one of the difficulties. The process could take some time.

[*Translation*]

AIRPORTS

ALLEGATION FOREIGN COMPANIES HAVE MONOPOLY ON CONCESSIONS

Mr. Eudore Allard (Rimouski): Mr. Speaker, I should like to put a question to the Minister of Transport.

Could the minister assure the House that the amendments soon to be brought to the Canadian airport construction policy will promote Canadian initiative and that no airport financed with Canadian public funds will be monopolized as at present by foreign firms as Budget controlled by Transport America Corporation or Hertz owned by RCA?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, perhaps I can review the hon. member's question with him, to ascertain the particular policy to which he is referring.

ROUTINE PROCEEDINGS

[*English*]

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order. On Monday, the government House leader indicated what the business of the House would be down the line, so to speak. Has he anything to add to what he said then?

Mr. Sharp: Mr. Speaker, basically, the government's program remains the same. I thought I might indicate our intention to call what I hope will be considered as two or three non-contentious matters. Today we will continue with the budget debate.

Tomorrow is Friday, the day that we traditionally try to clear the order paper of non-controversial items. I, therefore, intend to call first, tomorrow, items Nos. 33 and 34 appearing under government business on the order paper which refer certain documents to standing committees, followed by third reading of Bill C-81. We will then revert to Bill C-84 and will continue that business on Monday, followed by the budget debate for the rest of the week.

● (1500)

THE ENVIRONMENT

TABLING OF REPORT OF ENVIRONMENTAL CONTAMINANTS COMMITTEE

Mr. George Baker (Parliamentary Secretary to Minister of the Environment and Minister of Fisheries): Mr. Speaker, on behalf of the Minister of the Environment (Mr. Marchand), and under the provisions of Standing

Order Paper Questions

Order 41(2), I wish to table two copies of the task force report on PCB's to the joint Department of the Environment and Department of National Health and Welfare Environmental Contaminants Committee.

* * *

ENERGY

MEASURE RESPECTING DOMESTIC AND INDUSTRIAL USE OF SOLAR ENERGY

Mr. Chas. L. Caccia (Davenport) moved for leave to introduce Bill C-440, respecting the domestic and industrial use of solar energy.

Some hon. Members: Explain.

Mr. Caccia: Briefly, Mr. Speaker, the reasons for introducing this bill are the following. Time is running out before non-renewable resources will have been depleted. Future generations of Canadians, and their energy requirements, depend upon decisions made in this decade. The potential offered by renewable resources, such as the sun, needs to be pursued vigorously now. Solar power heating offers an opportunity for the development of a new Canadian industry. Considerable strides are being made in other industrial nations, particularly the United States. We must develop the solar heating technology suited to the Canadian climate.

The purpose of the bill is to establish an institute of solar energy applications. The institute would undertake intensive research leading to the development of a technology that will permit the use of solar energy.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

[Translation]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 4,583, 4,591, 4,954, 5,168 and 5,440.

[Text]

FEDERAL AND PROVINCIAL DISCUSSIONS CONCERNING QUOTAS FOR SHOWING OF CANADIAN FILMS

Question No. 4,583—**Mr. MacDonald (Egmont):**

Were any discussions held between the federal and provincial governments respecting quotas for the showing of Canadian made feature films and, if so (a) between whom and on what dates (b) what were the results of such discussions (c) what objections or reservations, if any, were expressed by the representatives of provincial governments to the proposed voluntary quota agreement (d) which provinces specifically indicated an interest in implementing quotas for feature films made within their own province?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): I am informed by the Canadian Film Development Corporation as follows: Yes, discussions were held: (a) Between Mr. Michael Spencer, Executive Director, Canadian Film Development Corporation; and Mr. Peter M. Roberts, Assistant Under-Secretary of State for Cultural Affairs; and on February 27, 1975 in St. John, Newfoundland: Mr. John Perlin, Director of Cultural Affairs, Government of Newfoundland. On February 28, 1975, in Halifax, Nova Scotia: Mr. Hugh Conrod, Deputy Minister of Recreation; Mr. A. J. Hickey, Deputy Provincial Secretary, Government of Nova Scotia, and officials. on March 7, 1975 in Edmonton, Alberta: Mr. Walter Kaasa, Assistant Deputy Minister, Department of Culture, Youth and Recreation, Government of Alberta, and officials. on March 10, 1975 in Victoria, British Columbia: Mr. A. L. Pearson, Associate Deputy Attorney-General; Mr. L. J. Wallace, Deputy Provincial Secretary, Government of British Columbia, and officials. On March 13, 1975 in Regina, Saskatchewan: Mr. Frank Bogdasavich, Deputy Minister of Culture and Youth, Government of Saskatchewan and officials. On March 14, 1975 in Winnipeg, Manitoba: Mr. Allan Early, Department of Industry and Commerce, Government of Manitoba, and officials. On April 10, 1975 in Ottawa: Mr. Douglas B. Boylan, Clerk of the Executive Council and Secretary of the Cabinet, Government of Prince-Edward-Island. On April 17, 1975 in Fredericton, New Brunswick: Mr. Harry Cochrane, Deputy Provincial Secretary, Government of New Brunswick, and officials. On April 18, 1975 in Toronto, Ontario: Mr. Malcolm Rowan, Deputy Minister; Mr. Douglas McCullough, Assistant Deputy Minister, Ministry of Culture and Recreation, Government of Ontario, and officials. On May 9, 1975, in Quebec City: Mr. André Gourd, Special Advisor to the Minister of Cultural Affairs, Government of Quebec; (b) The discussions indicated that there was no unanimity among the provinces as to the need for a quota, although some of them were prepared to give consideration to this form of support for the Canadian film industry. On the other hand there was little interest in the proposal that box-office levies should be imposed by the provinces; (c) The proposed voluntary quota agreement was not discussed with the representatives of the provincial governments; (d) While some provinces indicated that they were prepared to consider implementation of quotas for feature films, it is not possible to identify specific provinces due to the confidential nature of discussions.

CANADIAN MADE FILMS

Question No. 4,591—**Mr. MacDonald (Egmont):**

1. What Canadian participation will there be in deciding on the allocation of the $1.7 million set aside under voluntary agreement with Odeon and Famous Players for investment in Canadian made films?

2. For each of the seven major feature films produced in Canada since the voluntary agreement came into effect, what percentage of the financing came from (a) CFDC (b) the $1.7 million voluntary agreement with Odeon and Famous Players (c) other sources?

3. What new measures is the government considering to encourage investment from (a) public (b) private Canadian sources in the Canadian feature film industry?

4. Does the Secretary of State consider one of the effects of the $1.7 million agreement to be a centralization of decision-making with respect to which feature films in Canada receive production funding, and (a) if so, for what reason (b) if not, for what reason?

5. Does the Secretary of State consider decentralization of the Canadian film industry, away from its current concentration in a few major centres, to be a desirable goal and, if so, does he consider the current state of the industry appropriate to pursuing such a goal within the next decade?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): I am informed by the Canadian Film Development Corporation as follows: 1. The decision regarding the allocation of these funds is being made by the executives of these companies which are registered as Canadian companies and are doing business in Canada.

2. Nine major motion pictures were produced in Canada since the voluntary agreement came into effect on August 1st, 1975: (a) 63.64 per cent; 62½ per cent; 63 per cent; 47 per cent; 50 per cent; 25 per cent; 30 per cent; 0 per cent; 0 per cent; (b) 14.14 per cent; 12½ per cent; 21 per cent; 35 per cent; 30 per cent; 10 per cent; 7½ per cent; 20 per cent; 14 per cent; (c) 22.22 per cent; 25 per cent; 16 per cent; 18 per cent; 20 per cent; 65 per cent; 62½ per cent; 80 per cent; 86 per cent.

3. (a) The government is considering changes in the CFDC Act in order to make it more flexible; (b) Private Canadian sources will only be interested in the Canadian feature film industry as an investment if producers manage to create a significant track record of financial returns, but a decision to provide more flexibility in the CFDC Act will create a better climate for private investment.

4. To be answered elsewhere.

5. To be answered elsewhere.

In so far as the Department of the Secretary of State is concerned: 1. To be answered elsewhere.

2. To be answered elsewhere.

3. To be answered elsewhere.

4. Decisions with respect to which feature films will receive production funding in Canada have been made in Montreal, Toronto and, to some extent, Vancouver and a change in this situation is not anticipated in the near future.

5. Decentralisation of the Canadian film industry away from its current concentration in a few major centers is only a desirable goal in so far companies established in the regions can operate successfully on an industrial basis. In the long run, such a goal appears to be feasible.

AIRCRAFT—PRIME MINISTER'S WIFE'S JOURNEY

Question No. 4,954—**Mr. MacKay:**

1. What aircraft was used by the Prime Minister's wife to return from Venezuela?

2. Who was the (a) captain (b) first officer during the flight?

3. Did the Prime Minister's wife occupy the pilot's seat at any time during the flight and, if so (a) for how long (b) over what territorial area?

4. Did the Prime Minister's wife operate the controls of the aircraft at any time and, if so (a) for how long (b) did she control the aircraft in a climb in controlled air space (c) over what territorial area was she at the controls?

5. Was the captain of the aircraft in a position to allow an unqualified individual to occupy his seat during cruise and climb manoeuvres and, if so, on what basis?

6. Did the captain allow the Prime Minister's wife to control the aircraft in cruise and climb manoeuvres through manipulation of the controls and, if so, for what purpose?

7. Was airways traffic control clearance received for the climb during which the Prime Minister's wife was at the controls?

8. Has a violation been filed against the pilots by the Department of Transport and/or the Federal Aviation Authority?

9. Have any instructions been issued to the Air Force VIP squadron to ensure that no such incident occurs again?

10. Has the Minister of Transport received any reaction to this violation of International aviation rules from the (a) Airline Pilots of America (b) Federation of Airline Pilots Association (c) Canadian Airline Pilots Association (d) International Civil Aviation Organization?

Hon. Mitchell Sharp (President of the Privy Council): I am informed by the Departments of National Defence and Transport Canada as follows: 1. Mrs. Trudeau returned from Venezuela on board the Canadian Armed Forces Boeing 707 aircraft that had been assigned to the Prime Minister and his party for this official visit.

2. (a) and (b) See Question No. 69 answered on February 3, 1976.

3. Yes. One of the two pilots seats; (a) Five minutes; (b) Over the Atlantic Ocean approximately 200 miles south east of New York City.

4. (a) and (b) Mrs. Trudeau was not in control of the aircraft at any time. Throughout the time that she was invited to sit in the left hand seat, the Captain was in control of the aircraft from the right hand seat; (c) The area as described in 3 (b) above.

5. The Captain was in the righthand flight deck seat and he retained full control of the aircraft at all times. Canadians Forces regulations stipulate that both pilot seats need only be occupied by qualified pilots during arrivals and departures when the aircraft is below 10,000 ft. and at all times below 1,500 ft.

6. No. The Captain was in full control at all times.

7. Clearance was received for a climb from 35,000 to 39,000 ft. during the period when Mrs. Trudeau was present in the flight deck.

8. No. DOT and the FAA have no jurisdiction over military aircraft.

9. No. Additional instructions have not been issued, because safety was not compromised and no regulations were broken.

10. No.

ROLE OF CBC BOARD OF DIRECTORS

Question No. 5,168—**Mr. Caouette (Témiscamingue):**

1. What is the role of the CBC Council?

2. What (a) is the number (b) are the names and addresses (c) are the functions (d) are the salaries (e) is the distribution by province or territory of the senior public servants on the Council?

3. How many are (a) English speaking (b) French speaking (c) bilingual?

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. Under the Broadcasting Act, 1968, the Board of Directors constitutes the Canadian Broadcasting Corporation. As such, the Corporation

(Board) is established for the purpose of providing the national broadcasting service contemplated by Section 3 of the Broadcasting Act. The Act provides a mandate of broad objectives for the Corporation and the Board establishes Corporate policies to be followed by Corporation Management in achieving programming and coverage objectives as laid down in the Act. These achievements are assessed regularly by the Board. The Board also reviews all Corporate budget estimates and approves final budgets.

2. (a) Fifteen. One vacancy exists at present, (b) A. W. Johnson, Ottawa, Ont.; Dr. Stanley Bah, Windsor, Ont.; Brian Flemming, Halifax, N.S.; Mrs. Georgette Guay, Quebec, Quebec; Frank N. Hansen, Inuvik, Northwest Territories; Mrs. Mary Konantz, Winnipeg, Manitoba; André Lamy, Montreal, Quebec; Fernand D. Lavergne, St-Boniface, Manitoba; Michael Lypka, Hamilton, Ont.; Yves J. Ménard, Montreal, Quebec; James S. Palmer, Calgary, Alberta; Judge Dorothy Petrie, Willowdale, Ont.; Paul S. Plant, Vancouver, British Columbia; Bernard F. Trotter, Kingston, Ont. One vacancy; (c) See 1 above; (d) With the exception of the President, Directors receive an honorarium of $150. per day while attending a meeting of the Corporation or a Committee thereof; (e) See (b) above.

3. (a) Ten; (b) Four; (c) Six.

MIRABEL AIRPORT—DE-ICING CONTRACT

Question No. 5,440—**Mr. Herbert:**

Was a contract awarded by the government to GENAC, a joint venture of Air Canada and General Aviation, for aircraft de-icing at Mirabel Airport and, if so (a) what are the details of this contract (b) was a tender received from GENAC and was the content of any such tender made public (c) are any costs of this contract recoverable from airlines and, if so (i) what is the method of recovery (ii) what percentage of costs is the objective of such recovery charges?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): No contract was awarded to GENAC; (a) Not applicable; (b) No tenders were received; (c) The facility was under construction during the winter of 1975/1976. The facility was declared fully operational on March 20. No weather occurred since March 20 requiring aircraft to be de-iced at this airport and thus no charges could be assessed; (i) Recovery of costs will be pro-rated to each airline on amount of usage to recapture operating, maintenance and material costs; (ii) The decision to construct a common de-icing facility at the new Montreal International Airport (Mirabel) was based primarily on ecological factors, to ensure that effluents (glycol) were not discharged into streams. This facility is an experimental facility from which design standards must be assessed, confirmed or modified as necessary for future installations as required elsewhere at Canadian airports. Until the results of a research project to be conducted during the forthcoming two winters can be evaluated, the parameters of cost recovery of capital costs will not be fully determined.

[Miss Campbell (South Western Nova).]

GOVERNMENT ORDERS

[*Translation*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed from Wednesday, June 2, consideration of the motion of Mr. Macdonald (Rosedale) that this House approves in general the budgetary policy of the government, and the amendment thereto of Mr. Stevens (page 13901).

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, my feeling indeed is that the best speech in this debate is now being made outside this House, a few steps from here on Parliament Hill, because some 10,000 farmers are now expressing to the government their dissatisfaction and anger with the inequities now being caused against the farming industry in Quebec, Ontario and elsewhere.

I hope their vibrant speech will be heard by the Minister of Finance (Mr. Macdonald), the Minister of Transport (Mr. Lang) and the government as a whole.

Before starting these comments, I had an opportunity to state, in a motion under Standing Order 43, that Quebec's industrial milk producers will face a loss of revenue totalling more than $100 million. I also indicated that by the Minister of Agriculture's (Mr. Whelan) own admission, those producers respected their quotas and are in no way responsible for the current overproduction. Therefore, they should not be penalized for something they did not contribute to. Mr. Speaker, I would extend to the Minister of Finance the usual congratulations for his *tour de force* in presenting us with a non-budget, for the know-how with which attempted to have us accept his wait and see approach as an action-oriented approach. Of course I share the views of the hon. member for York-Simcoe (Mr. Stevens). I was pleased to second the non-confidence motion that he put forward as regards a budget speech of which he underlined the mistakes and deficiencies.

● (1510)

Even though our party has no majority in the House, it is obvious from what we hear from every region of this country that it reflects the view of the majority of Canadian taxpayers in this debate. The very fact that Liberal members have publicly indicated their reservations about the government policy is a very strong indication that it does not have the support of the public at large.

How times have changed, Mr. Speaker! Two years ago, we were in the midst of an electoral campaign and the Prime Minister was still refusing to recognize the impending danger of inflation. He was openly laughing at the program that the Progressive Conservative Party was suggesting. Fifteen months later, on October 13, 1975, the government leader appeared on the national radio and television network to recognize publicly that one year earlier he had cheated the people. He was introducing it as his party's initiative, but scamping it in such a way and with such clumsiness that today, everybody has to admit that his administration is a complete failure.

In his non-confidence motion, our party is asking most hon. members to support it because nothing justifies us to

believe that the incapacity the government has shown since 1968, and which is aggravating every week, has suddenly turned into expertise. Nothing allows us to think that the congenital weakness of cabinet members has suddenly turned into energy. We are always faced with the same inert and inefficient cabinet and getting rid of them as soon as possible would do this country great service.

The mockery of a budget which the Minister of Finance (Mr. Macdonald) introduced on May 25 is a further indication of this inefficiency. In this regard, some people have mentioned a *status quo*. Reality is even worse: We have here a policy of ultra-conservatism. The Minister of Finance was satisfied with making minor adjustments in the hope that others, the United States in particular, will come to his rescue. Being unable to conceive dynamic initiatives that would meet our actual requirements, the minister is merely following the lead of foreign economies.

When tax incentives were needed to stimulate the shaky recovery that was emerging, the minister only granted very small benefits to small businesses, but he further whittled down corporate profits. He has increased a little bit the deductions for child care and retirement savings plans, but, as a whole, he has not submitted to us any program that would really contribute to improve the difficult economic conditions this country is facing.

[*English*]

I deeply regret that the government did not see its way clear to provide this country with a limited quantity of something which is all too rare these days—a little bit of hope. No one wanted extravagant promises. Our leader and our party have pushed for realistic spending and for realistic spending restraint on the part of the federal government. But this does not mean the exclusion of hope—hope for the working people who wonder when controls will begin to operate in favour of the average man; hope for the small businessmen who wonder when exports and real economic activity will allow for expansion; hope for students who want nothing more greedy or self-centred than a chance to work their way through college or university; hope for the young people in the maritimes, Quebec and elsewhere who would like to find work, purchase a home and build a future.

I share with the Minister of Finance (Mr. Macdonald) belief in the need for a responsible and balanced budget. But that does not necessarily mean a budget which is dull and unimaginative. Budgets are more than a prognosis of a government's spending activity; they are more than indicators of what the country can expect in terms of taxes and assistance. They are assessments of economic health and of the capacity of the nation to produce the wealth needed to sustain and improve the quality of life for its citizens. Where are the programs to produce more jobs? Where are the programs to assist the poor, the needy, the disunited?

An hon. Member: Read it.

Mr. Wagner: Where is the humanity, where is the compassion? I believe the budget is one drawn up by men who revel in the status quo; indeed, they are prisoners of the status quo. It is a budget devoid of humanity, compassion, hope and optimism. If history is to say anything about the difference between our party and the party opposite on budgetary matters in the year 1976, I hope it might say that we in the Progressive Conservative party believed in the economic capacity of this nation, when the government did not; that we believed in the average man and woman in this country, when the government did not; that we believed in the future of this country, when the government did not.

[*Translation*]

Mr. Speaker, there is no need to be an expert on economic matters to be concerned about a deficit of the order of $5 billion. Nobody can accept either expenditures which amount to $42 billion. As far as its spending is concerned, the government has not made any worthwhile cutbacks. And what about the adverse trade balance which amount to an astronomical figure.

Everyone is concerned about the government decision to maintain the interest rates at an artificially high level. It is true that after its long-standing slackness, the government simply had to check the growth of the money supply, but this belated policy can only hinder every more a shaky economic recovery. Without tax incentives, without tax cuts, especially for low income groups, this economic recovery will not be enough to absorb a significant number of the 761,000 unemployed registered last month.

● (1520)

This government is resigned to maintaining the unemployment rate to its present level. I say resigned but it is patently obvious that this government depends on unemployment to reduce inflationary pressures. It comes back to the old classical method: create unemployment to fight inflation, let thousands of workers idle so that demand will not be increased, all this in the hope that the inflation rate will get down to 8 per cent this year, a level which is not even reassuring.

So the minister resorts to the unemployment-inflation trade off. What a philosophy! What contempt for distributive justice, what irresponsibility in front of the dangers that all those Canadians maintained in unwarranted poverty represent for social peace. We have a good example this afternoon on Parliament Hill, we can see how angry citizens can get when they are provoqued to such extent by an irresponsible, insensitive, intransigent and unfair government.

If this is the new society promised by the Prime Minister, it deserves to abort like the just society about which, incidentally, we no longer hear anything. In its fight against inflation, this government maintains a false feeling of security in the public. It knows very well, for instance, that the recent and modest dip of the consumer price index will not last very long. The expected increase in oil prices will be felt this fall and next year in a wide range of products and services, particularly in essential sectors like food, housing and transportation.

Furthermore, in his predictions the Minister of Finance (Mr. Macdonald) did not take into account a new element which in recent months has influenced the cost of living—the almost general increase in provincial taxes and especially municipal rates. Without adequate revenues, the municipalities will continue to demand more from the homeowner. And how could it be otherwise? In 1975, local governments' revenues went up by only 13.5 per cent while their expenditures increased by 15.8 per cent. The small

owner has also become one of the greatest victims of this government's policy.

Mr. Speaker, a moment ago, I spoke of unemployment. The budget offers no hope to the 11,000 textile workers who have been laid off in the last 18 months. I am sorry the minister did not concern himself with the critical crisis the textile industry is now going through, an industry that is very important to the provinces of Ontario and Quebec and, in particular, allow me to point it out, to my riding of Saint-Hyacinthe.

It is urgent that the government should hear at last the cries of alarm Quebec and Ontario authorities have just put out. It is high time it take into consideration the admonitions of the Senate Committee on Banking, Trade and Commerce and that it answer the dramatic appeal of the Congress of Democratic Unions.

Despite some initial success, after the 1970 reform, the textile sector fell back into stagnation. Still, thanks to increased productivity, it proved it could get back on its feet. What it lacks now for a decisive impulse, is very simply a sensible policy on the part of the government. Under the pretext of international commitments and aid to the underdeveloped countries, the government authorizes the import of textile products to a far greater extent than do other countries which have also signed the same agreements.

Studies have shown that the main problem facing our textile industry is not a lack of markets, but massive imports. Imports now account for 54 per cent of our domestic market, compared with 12 per cent for the United States, 10 per cent for Japan and 20 per cent for the European Common Market. It is therefore not surprising under theses circumstances that the textile industry has been constantly on the decrease in Canada. From 1973 to 1974, in a single year, the number of workers went down from 102,000 to 86,000. From 1969 to 1976, 33 plants closed down and 6,000 workers became chronically unemployed.

I know that the government talks about the need to help developing countries. However, at the present time, the textiles which constitute the worst threat for our industries come mostly from highly industrialized countries. I accept the fact that we must help developing countries by accepting their textile products, but instead of opening our boundaries indiscriminately, would it not be more logical to accept foreign textiles in a ratio inversely proportional to the standard of living of the country we want to help? In this way, the most needy would receive our help and we would be protected against competition from the wealthiest countries.

One thing is certain, the present voluntary quota system must be completely reviewed. The government should be more realistic and abandon a policy which is now leading our textile industry to a slow death. The Senate Comittee on Banking, Trade and Commerce and the CSD have shown the way: to sign, like the United States, bilateral agreements concerning the level and nature of textiles that we shall accept; to establish long-term objectives in relation to the potential of the textile industry, both as concerns production and employment. We could thus eliminate the uncertainty which is drying up investments and discouraging the workers. As Mr. Yvan Guay wrote in the newspaper *La Presse* of May, 19, Canada must finally stop playing boy scout because, and I quote:

> For Canada to assume alone the responsibility for a world free-trade policy would be ridiculous and the more so since clothing, like food, is a basic product. No country can ever rely excessively on foreign nations for its food and its clothing... That is why the textile and clothing industry, like agriculture, must be more or less subsidized if we do not want its workers to become under-proletarians.

And while I am talking about unemployment, Mr. Speaker, there is reason to be concerned about the general economic situation in the metropolitan area of Montreal once the works for the Olympic Games are finished. Economists, business and labour spokesmen have brought to the attention of authorities the need to avoid massive unemployment in the building sector. Layoffs have already begun and more will soon follow.

The situation appears all the more serious because the government of Quebec has just ordered that the work on the subway extension be suspended and the government in Ottawa comes in with postponements on the completion of Place Guy Favreau and the new postal terminal and cuts back on its budget for public or harbour works in the metropolis. It is imperative that federal, provincial and municipal authorities get together on an urgent basis to set up a works program capable of absorbing the greater part of the manpower made available. Construction workers in greater Montreal must be protected from massive unemployment. It would be unfair to let them bear the load of budget restraint. If expenditures must be cut back, let it not be by denying those workers their livelihood.

Just a word about Loto Canada for which the government is asking for $5 million in interim supply. I accept that in principle but on very specific conditions. The government must not permanently interfere with an area that is better left with the provinces and in which they have indeed taken the initiative. We are pleased to see that Loto Canada will contribute to make up the deficit of the Olympic Games in Montreal and will also bring a substantial contribution to those to be held in Edmonton. However, I regret that the government neglected to consult the provinces and failed to secure beforehand the agreement of those provinces which already operate loteries. And that is why I suggest that Loto Canada should stop existing after 1979 and that Ottawa should afterwards return that jurisdiction to the provinces.

So in this area the federal government recognizes belatedly, one must admit, the national nature of the Olympic Games and agrees now with the official opposition which has always called for the active participation of Ottawa in the carrying out of an undertaking it had morally backed up with the International Committee as was the case when Montreal requested the Games. But Loto Canada must not be a new source of division between Ottawa and the provinces nor between the citizens of the various regions of this country.

Incidentally, Mr. Speaker, in view of certain recently reported abuses by unconsciencious distributors one may wonder whether public authorities would not be well inspired to put the organization for the distribution and sale of tickets in the hands of some voluntary associations, and I am thinking of the veterans, the blind and the handicapped. The profits derived therefrom could be used to further the purposes of those associations even if they

should give the sellers a commission. Those additional funds would help those organizations to alleviate the financial burden imposed upon them through the assistance they provide to the more needy of their members.

Finally, and this is how I want to conclude my remarks, Mr. Speaker, the budget speech on May 25 will have an impact abroad where, as is the case at home, the competence of this government is unreliable. Already suspected of being halfhearted with the Atlantic Alliance this government must now after the ridiculous *Orion* adventure restore its credibility with our allies. Let us also hope that we will not see another equally aberrant comedy when it comes to obtaining *Leopard* tanks.

The minister did not talk much about the major issues that remain undetermined between Canada and the United States, namely with respect to the Auto Pact and the irritants about which U.S. authorities are complaining. We are not much more informed about the nature of the discussion we have had with the Common Market and the importance of the barriers which up to now delayed the establishment of a contractual link between Canada and the European Economic Community.

Mr. Speaker, the same kind of silence persists about the negotiations entered into in the Tokyo Round and in which, however, the interests of our exporting industries are deeply involved. We are also completely in the dark about the specific projects of the government as regards the important problem which the conscience of the western world has to solve: that of the economic and food assistance to the underdeveloped countries whose inhabitants suffer from hunger. The news we had from Nairobi are far from being satisfactory. I hope we will soon know the position of the cabinet on all the questions which have been studied but which are far from being solved.

Either by bilateral or multilateral agreements, our country which, in spite of its present difficulties, is one of the most privileged in the world, must significantly increase its help to the millions of people who are without bread and who lack the minimal material comfort. Our generosity must be consistent with the hopes which the underdeveloped and underfed people have in us. If it is necessary, we must take ourselves the initiative of launching a new collective effort of the industrialized countries to this aim. Mr. Speaker, this is the price of international peace.

● (1530)

[*English*]

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I welcome the opportunity to enter this debate today. I welcome it particularly as it provides me with an opportunity to speak on a number of important questions. I should like to touch on some of those mentioned by the previous speaker, the hon. member for Saint-Hyacinthe (Mr. Wagner), a man who has a reputation as a polished gentleman, an urbane man and an effective politician in his province.

Some hon. Members: Hear, hear!

Mr. Gillespie: I listened with a great deal of interest to what he had to say. I thought the first part of his speech was long on rhetoric. I thought the middle part of his speech dealt with some important questions, like the textile industry. But I am afraid he did not persuade me, and perhaps others, that he had any particular solutions. Of course, I listened very intensly to the end of his speech, because it was there that I thought I might see the dimension he is well known for—that dimension of a man with wide perspectives, that critic of external affairs.

The hon. member did touch on a number of broad questions. He dealt with NATO, but he really did not say much about it. He alluded to the auto pact, and he sort of established his credentials in the new economic era. I had the feeling, Mr. Speaker, that all of those comments were just sort of pushed into the record so he could say, "Well, you know, I do have some knowledge and understanding of these questions." I thought they were rather short, and lacked depth.

Some hon. Members: Oh, oh!

Mr. Gillespie: I thought that if the hon. member really wanted to establish his position as a man with a strategic sense of things, he would have said something about energy.

Some hon. Members: Hear, hear!

Mr. Gillespie: There was not a word about energy in his remarks, that I can recall.

Some hon. Members: Oh, oh!

An hon. Member: He is full of energy.

Mr. Gillespie: I suppose there is always a problem with the Tories, though. He referred to the fact that his party has a commitment to the future. I have a feeling that his party has a commitment to the future through a rear-view mirror.

Some hon. Members: Hear, hear!

Mr. Gillespie: That is the only way they know for steering toward the future.

An hon. Member: If anybody knows, you should.

Mr. Gillespie: He made the comment that he hoped this budget debate would record—for posterity, presumably—the fact that his party, the Tories, and I want to use his words, "believe in the future and the government does not".

An hon. Member: Right on.

Mr. Gillespie: I have already referred to the fact that one of the most strategic matters as far as the future of Canada is concerned is energy, and there was not a word about that.

An hon. Member: You sure don't know anything about long-range planning.

Some hon. Members: Oh, oh!

Mr. Gillespie: I suspect that this may not be all his fault. He has a new leader now. I remember very well, and I am sure the hon. member followed a part of the debate him-

self, his new leader telling the people of Canada and those who were supporting him at the Tory convention, that the Tory party must stop criticizing in a destructive way and start telling the Canadian people what they stand for and not what they stand against.

An hon. Member: We will, in 1978.

Mr. Gillespie: I have been listening very carefully to him and some of his colleagues, and I have not found out what they stand for yet. It may well be that his new leader has not yet confided in him, so I do not blame him altogether.

An hon. Member: That's another cheap shot.

Some hon. Members: Hear, hear!

An hon. Member: No wonder the budget is in such a mess.

Mr. Gillespie: As I said, I welcome the opportunity of participating in this budget debate. There are some very important energy provisions in this budget, and I want to talk about them. It has been just a little over a month since I tabled an energy strategy for Canada in the House—self-reliance.

Some hon. Members: Hear, hear!

● (1540)

Mr. Gillespie: This is one of the most important and comprehensive statements on energy that has ever been made. I recommend it to my colleagues opposite because, quite clearly, very few of them have taken the opportunity to read it.

An hon. Member: Including yourself.

Mr. Gillespie: I guess you do not want to be troubled with the facts. I recommend it to you, because you might learn something about the situation and some of the options and, indeed, some of the problems and opportunities for Canada. It might help you to have some kind of commitment and sense of direction toward the future.

Some hon. Members: Hear, hear!

Mr. Gillespie: Mr. Speaker, as I say, since that occasion when we tabled the strategy, a number of very important measures have been taken to support the main thrust, the priority areas enunciated and outlined in that strategy paper. First, we have announced a new set of oil and natural gas prices for Canada fully consistent with the strategy. Second, my colleague the Minister of Indian Affairs and Northern Development (Mr. Buchanan), and I tabled a policy statement that clarifies the terms and conditions under which the petroleum industry will operate on Canada lands—terms and conditions that will increase the exploration effort, increase our resource information and increase Canadian content and participation in the development of Canada's energy resources.

Last week, my colleague, the Minister of Finance (Mr. Macdonald), in his budget, announced a series of further initiatives that this government is taking to further our objectives of energy self-reliance. These are very important measures which fully support and reinforce those to which I have already alluded. There are three particular aspects of those energy measures in the budget which I should like to identify for hon. members of this House and particularly, perhaps, the opposition. The first is the further stimulus to exploration. The second is the economic incentives for the substitution of alternative energy sources for oil. The third is provision to further enhance the energy conservation proposals I have already announced, particularly in so far as they affect the use of motor gasoline.

For the exploration of alternate sources of oil and conservation there is a series of measures in each one of these policy priority areas. I believe these budget measures reinforce the basic thrust of the government's resource policy. They will enhance our ability to meet the specific energy targets and objectives in respect of energy self-reliance. In assessing the energy related budget measures, it is necessary to consider them in the context of both the government's energy policies as they are continuing to evolve, and the current and prospective economic situation. As the budget speech makes clear, we are embarked on an economic recovery in Canada, but the policy course we must steer is a very sensitive one if we are to move the Canadian economy back to its potential growth rate in a sure and steady way. Inappropriate action at this stage would inevitably lead to problems farther down the road. The greatest of these problems is the possibility that inflationary expectations could lead to a renewed outbreak of cost and price pressures that would abort the economic recovery in Canada and that would lead ultimately to declines in real purchasing power, curtailments in production and increased unemployment.

At the same time as our short-term economic situation demands careful monitoring and prudent management, it is obvious that a number of structural changes in our economic system are necessary if we are to be able to realize our potential over the longer term. Nowhere is this more apparent than with regard to our energy situation. We need to move domestic prices to a level that adequately reflects the higher costs of finding and producing new energy supplies in Canada. We need to encourage and stimulate more efficient methods of producing, distributing and using energy. We need to facilitate the reallocation of manpower, equipment and financial capital that will be required to augment our domestic energy supplies and enhance our self-reliance. We need, as well, to move deliberately and in an orderly way.

The necessary adjustments that producers and consumers of energy must make will have to be phased in an appropriate manner. Attempts to move too rapidly to develop crash programs that do not take account of the realities of the Canadian situation will waste scarce resources and lead to distortions and bottlenecks that will endanger our anti-inflation objectives and our prospects for real economic growth and employment.

The pricing decisions I announced for crude oil and natural gas reflect the manner in which these considerations must be balanced. Crude oil and natural gas were specifically exempted—I emphasize this—from the anti-inflation program because it was recognized that upward relative price adjustments for these energy sources are essential. That is a point which not all members opposite

seem to realize, or perhaps some members opposite have short memories in this regard. At the same time, in determining the actual increases that should be permitted, the government would be acting irresponsibly if it did not consider the state of the economy at the time.

The first portion of the increase I announced for crude oil prices will lead to increases of about 3 cents per gallon in the price of motor gasoline and other petroleum products, including home heating oil. These price increases will take effect 60 days after July 1 of this year. In addition, the price of natural gas in residential use can be expected to increase by about 7.2 per cent, although the timing and exact magnitude of this increase will be determined by provincial regulatory agencies. Through the balance of 1976, these higher prices will increase the CPI by less than one percentage point. They will not unduly impair the success of the government's anti-inflation program, nor will they threaten the recovery that we foresee for the Canadian economy.

Further increases will occur in the spring of 1977, amounting to about 2 cents per gallon in the price of motor gasoline and other petroleum products, and 4.3 per cent for natural gas for residential consumers. These increases will have further inflationary impacts, but we are confident that by that time the anti-inflation program will have reduced inflationary expectations enough, and the economy will be sufficiently resilient, to allow these further increases to be absorbed in a smooth and orderly way.

Let me reiterate, again, that while the steps we take are tempered by current economic considerations, there should be no doubt as to the directions in which we are going. Those Canadians making investment decisions now, both consumers and producers, would be well advised to make those decisions on the basis of more expensive energy in the future. With these remarks as background, Mr. Speaker, let me turn specifically to the budget measures as they affect exploration activities and energy conservation initiatives. There are a number of changes in the budget that will further increase the incentives to explore and develop that currently exist in the federal tax structure. All payments made to acquire Canadian resource properties after May 6, 1974, will be included as part of development expenses; provincial incentives for exploration and development drilling will not be included in income; to the degree that provincial governments reimburse industry for federal taxes collected in respect of provincial royalties, these reimbursements will not themselves be subject to federal tax; and the depreciation allowance for offshore drilling platforms has been doubled, from 15 per cent to 30 per cent.

These measures will increase the cash flow to the petroleum industry in Canada and will further enhance the already considerable incentives to exploration that exist in the federal tax system. In addition, the suspension of the principal business test for a three-year period will allow those individuals and corporations who choose to invest in exploration, even though this is not their principal business, to expense their investments immediately. This will increase the ability of the petroleum industry to attract the capital and Canadian equity that is required for the exploration that must be undertaken if we are to assess adequately the options that are available to meet our future energy requirements.

● (1550)

Mr. Speaker, I believe there has been very limited attention so far in the press, and very little appreciation so far as the potential of that particular measure—the measure of removing the principal business tax. I believe it could have, potentially, a very important impact on new exploration activities in Canada, particularly from the point of view of the Canadian investor who has not always had an opportunity to invest. As a result of the new regulations I have referred to, the Canadian investor will have more opportunity and it will put him on a more equal basis with foreign investors who have been investing in our resources.

Hon. members will recall that the federal government's share of total production profits accruing to the petroleum industry in Canada is in the order of 17 per cent. As well as taxing at a relatively low rate, the federal system is highly sensitive to reinvestment. If, for example, producers reinvest about half of the $1.05 increase in the price of petroleum that will occur on July 1, the federal share of the incremental revenues will decrease from 27 per cent to 3 per cent. What this means, in very simple terms, is that about 50 per cent of new exploration investments can be financed with money that would otherwise have gone to the federal government in the form of taxes.

Let there be no mistake about this, Mr. Speaker. I am getting a little tired of reading the comments of critics within the industry, and outside, who claim that the federal government is taking a major share of the increase in price. Quite clearly, as I have already indicated this afternoon, the federal government will back off to a very small percentage if the additional price increase is reinvested in exploration. Indeed, if 57 cents of that dollar is reinvested in exploration in Canada, there will be no federal tax on that incremental increase.

Mr. Gillies: Three cents.

Mr. Gillespie: Nothing for the federal government at all. In other words, the federal government backs right off to provide this degree of incentive. Some critics of the energy strategy we have adopted have suggested that our emphasis on exploration amounts to "putting all our eggs in one basket". It has been suggested that we are relying on frontier resources that, in the event, may not be there. This simply is not true. As I have pointed out on many occasions, there are a number of energy options available to us. But in order to know what we should do, we have first to know what we can do. And it is this need to know that makes accelerated exploration activity critical over the next three to four years. As I indicated previously, the federal government—through the existing fiscal system and the modifications announced in the budget—is contributing indirectly, but substantially, to exploration activity. We are also making a major, direct contribution through Petro-Canada. Hon. members will recall, I am sure, that the exploration budget for Petro-Canada this year will be $100 million, which will place it out in the forefront of companies exploring on Canadian lands. It is

perhaps number one. Yet we still hear from the Tories opposite that they are against Petro-Canada.

Mr. Gillies: What has it done for us yet? It has not done a thing. It is $700 million down the drain.

Mr. Gillespie: I would hope that the producing provinces, who currently receive over 40 per cent of the production profits accruing to the petroleum industry, will assess the degree to which their incentive programs are appropriate in the context of our national objective of energy self-reliance.

The budget also introduces a number of measures that are supportive of our efforts to encourage the substitution of domestic energy sources for imported oil and to facilitate the introduction of renewable energy technologies. The extension of the two-year write-off of new capital equipment to equipment that can be used to produce energy from industrial and municipal wastes is an important measure in this regard. Many European countries, such as Germany and Sweden, generate a substantial proportion of their electrical energy from waste material, such as wood wastes produced in the lumber industry, or waste steam produced in a manufacturing industry. In Germany, this production is as high as 28 per cent of the total electrical capacity of the country. Preliminary estimates suggest that we might ultimately be able to supply 20 per cent of our electrical energy requirements from these sources. Thus, the budget measures should encourage the industrial sector to use energy resources more efficiently and encourage a diversity of electricity supply which will enhance the security of our national electrical supplies. Similarly, the removal of federal sales tax from items such as heat pumps, solar furnaces and heating panels, and wind-powered generating equipment will increase the commercial practicability of these alternative energy sources.

The final item in the budget which I want to address is the revisions to the excise taxes on heavy automobiles. While there are some variations, studies indicate that on average there is a close correlation between automobile weight and fuel consumption. Therefore, the increased excise taxes will reinforce the mileage standards I announced in February and are to be phased in over the same period as the mileage targets. Quite frankly, Mr. Speaker, I find myself puzzled by the reaction of the Canadian automobile industry to these tax increases. Some of the comments I have heard suggest that the taxes will not make any difference in consumer purchasing decisions. It is alleged that people will continue to demand heavy cars and will pay the higher price. At the same time, and sometimes from the same sources, it is suggested that the tax will lead to disruption in the automobile industry and to increased unemployment. Clearly, the industry's early reaction is a confusing one—it is not a well thought-out or consistent one.

I think it has been further confused by allegations that the government has arbitrarily forced the automobile companies to increase the weight of automobiles by 650 pounds for pollution and safety devices. On examining this, I find that roughly 50 additional pounds have been added for catalytic converters, and close to 600 pounds for safety reasons. I think it is fair to suggest to automobile manufacturers that if 600 pounds are needed for safety reasons, there has to be something wrong with the kind of cars offered to the Canadian public in the past. The second point is that I believe it is fully within the capacity of the automobile industry to reduce the weight of the modern automobile through the substitution of materials without in any way effecting its safety. I have every reason to believe that some quite substantial reductions can, and will, be made by them in the near future.

We believe that Canadians will respond to the excise tax by demanding lighter, more energy-efficient cars. We also believe that the automobile industry in Canada is imaginative and responsive enough that those demands can, and will, be satisfied. There will undoubtedly be a period of adjustment in the industry, and it is precisely to make that adjustment as easy as possible that the tax provisions are being phased in over a four-year period.

In conclusion, Mr. Speaker, I want to reiterate the theme with which I began. Adjusting to the realities of our energy situation will take time, and the adjustments must be made in a manner and at a pace that safeguards our economic objectives over the shorter term.

• (1600)

It is imperative, in this process, that consumers and producers know what the energy objectives of the government are so that they can plan accordingly. The publication of "An Energy Strategy for Canada", supported by the recent announcements with regard to domestic pricing and land and lease regulations, and further reinforced by the measures announced in the budget, make the directions of our energy policy clear and, more than that, the commitment of the federal government to these targets and priorities.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, we have just listened to the Minister of Energy, Mines and Resources (Mr. Gillespie), who usually gives a fairly constructive, straightforward speech; but today he was a great disappointment because he started off on a negative pitch and continued on a negative pitch all the way through. For some reason, he found it necessary to criticize the very excellent and constructive speech given by the hon. member for Sainte-Hyacinthe (Mr. Wagner). He said it was a disappointment, and then went on to castigate the hon. member for not talking about energy.

Then the minister proceeded for the next 20 or 25 minutes to bore the House to death with a rehash of what we have already heard in the budget, and told us absolutely nothing new. He spoke in glowing terms of a paper he had produced a short while ago called, as he put it, "An Energy Strategy for Canada," which is a very imposing title for something which could have been far better entitled, "Much Ado about Nothing"—because that policy paper really was a bust. It told us nothing about energy conservation which we did not already know, and announced no new plans, or workable plans, on the part of the government for conserving energy.

Then the minister talked about the energy price increases of a short time ago and how these are going to induce much greater exploration for oil and gas. But, as pointed out to the minister a couple of weeks ago in a

question at the beginning of the day, there is nothing in these price increases which have been granted to the oil companies which requires them to use this money for exploration. As I pointed out to the minister, these increases can be used in any one of three ways. They can be used to increase exploration, which is what is desired; but they can also be put into the company's reserves, or they can be paid out in additional dividends to shareholders. There is nothing to require the companies to do what the Canadian people and the government want them to do, and that is to increase their exploration activity. So we see the energy consumers of Canada subjected to a very real possibility that a great deal of the increase they are going to pay at the gas pump or in their bills for heating oil during the year is going to pay out fatter dividend cheques to shareholders in oil and gas companies.

There is nothing the government can do about it whatsoever, because there is no requirement of the oil companies that the money they get—the many millions of dollars they will get—in increased oil and gas prices should go into exploration. That is just another typical policy of this government which is badly thought-out and put through in a slipshod fashion.

I can just see the oil and gas company presidents gathering around the minister's office and telling the minister that he can count on them because they are his friends; that he can give them those prices and they will surely explore more. Then they will go out slapping their thighs and laughing themselves to death, saying that the minister is a poor old sucker and that he went for it again, the way John Turner did when he effected great increases by reductions in taxes about three years ago to increase productivity and industrial activity. The manufacturers and producers of this country told John Turner he could count on them and that they would increase productivity and plant and equipment, and they laughed all the way to the bank and did whatever they darned well pleased with the money the government gave to them by reducing their taxes.

The minister and the House know very well that that has not brought about anything like the results the then minister of finance assured the House those reductions would bring about. Unemployment was supposed to be lowered as a result of those gifts, but it has gone up steadily ever since, and those same producers and manufacturers, like the oil companies, are still laughing all the way to the bank. That is the kind of thing which is going on in this government, and unfortunately there is nothing we can do about it for the next two years. However, I can tell the government that in two years we are going to do a great deal about it, because we will move from this side of the aisle over to the other side and give this country the kind of government it deserves.

Mr. Gillespie: Tell us what you are for, George.

Mr. Hees: I want, now, to say a few words in a quiet and modest way about the government's anti-inflation program and to put forward some concrete suggestions on my own behalf as to what I think the government should do to improve greatly the situation. Now that the anti-inflation program is approaching the end of its first year of operation, people are naturally asking two questions: What results have been achieved; and how long will it be necessary to keep it in operation? In answer to the first question, the inflation figures speak for themselves. During 1975, the consumer price index rose by 10.5 per cent. During the most recent 12-month period, the index went up by 9 per cent. Such results should be described, I think, as slow progress.

Regarding the second question: How long must controls remain in force?—the answer is a great deal more difficult to find. I do not think anybody really likes controls, and most people would like to get rid of them as soon as possible. But to answer the question: When can they be abandoned?, we will first have to look at the two reasons it was necessary to apply controls in the first place. The first reason was that the rapid and accelerating yearly increase in the consumer price index, commonly referred to as the cost of living, had driven prices to such a level that the average Canadian simply could not make his or her earnings keep up with the bills he or she had to pay.

As I have said, the cost of living went up by more than 10 per cent in 1975. This was not much of a problem for those whose yearly incomes were kept abreast of the cost of living by means of management or union contracts which increased as the cost of living increased. But the great majority of Canadians do not have such contracts, and they were suffering badly. This majority demanded that the government do something to control the cost of living and bring it back to a yearly increase which they could keep up with; and so controls were announced on October 13.

To find out what is a reasonable yearly increase in the consumer price index, we should look back over the yearly records of this indicator during the past 70 years, since it first began being recorded. During those 70 years, the average yearly increase was just under 3 per cent a year. Such an increase we found we could live with, and having found that we were able to keep our average yearly increases in expenditures—our inflation—to that level, people generally believed that we must make every possible effort to reduce our present inflation rate to that level once again, and keep it there.

The second reason for applying controls was that rapidly accelerating inflation was making our products less and less competitive in both the Canadian and the export market, and production and employment were adversely affected. In this regard, we are particularly vulnerable to price levels in the United States, the country which is by far our most important trading partner and with whom we do 70 per cent of our export and import trade. Neither Americans nor Canadians are willing to pay more for a Canadian product if they can buy a similar American product at a lower price. For many months now, the rate of inflation in the United States has been considerably lower than ours, and that is one of the reasons their economic recovery has been moving forward at a steadily accelerating pace and ours has not. Today, their rate of inflation is 6 per cent a year, while ours is 9 per cent. Moreover, in April the American secretary of the treasury, Mr. Simon, said that he is confident the United States will reach an inflation rate of 2 per cent within two years, which is April, 1978. Our government is aiming at 4 per cent by the end of 1978.

● (1610)

I think it is obvious that if we are to compete successfully with American products in the Canadian and United States markets and in the world market as well, we must achieve a rate of inflation roughly equal to theirs. To do so, we must accelerate our efforts very considerably. To achieve this, certain improvements must be brought about in the government's approach to reducing inflation. First of all, the government must reduce the rate of increase of the money supply—the total of bank deposits and cash in circulation—to a range far below the more than 10 per cent yearly rate at which the Bank of Canada is increasing the money supply today. The United States government has reduced its yearly rate of increase of MI to a range of between 4.5 per cent and 7 per cent, and that is the basic reason why they have been able to deal with inflation so much more successfully than we have. I believe that the Canadian government must strive to reach a comparable range within the next 12 months, a pace far quicker than they are moving today.

Second, I believe that the government must keep the increase in government spending each year to the increase targets which it has set for itself and for all Canadians. As you know, that target for the present year is 13 per cent, made up of 8 per cent, the estimated inflation for the present year, plus 5 per cent, the estimated growth in real domestic product for the year, for a total of 13 per cent. The government's present increase of 16 per cent above last year must be reduced to this figure as soon as possible. Finally, we must greatly increase our industrial productivity because of its very great effect on costs and selling prices.

Industrial productivity, expressed in terms of volume of production per man-hour, has been measured and recorded on a national basis in this country for the past 30 years. During that period, the average yearly increase has been 3.2 per cent, due to improved methods of production and new and improved plant and machinery. With yearly increases in productivity of around 3 per cent a year, we were able to keep our costs of production to a level where our selling prices were competitive with those of our principal industrial competitors in both the Canadian and export market, and unemployment and inflation remained at reasonable levels.

Then, four years ago, our yearly increase in industrial productivity began to decline. Whereas in 1971 we had shown an increase of 3 per cent over the previous year, in 1972 the increase over 1971 was only 2.6 per cent; in 1973, the increase over 1972 was only 1.5 per cent; in 1974, we showed an actual decrease of .5 per cent from 1973 and, in 1975, a decrease of 2.4 per cent from 1974.

These accelerating decreases in industrial productivity have caused costs and selling prices to rise sharply, contributing heavily to inflation. They have also brought about higher unemployment, because people in this country and abroad will not pay more for a Canadian product if they can buy a similar product made in some other country for less money, and Canadian production has suffered as a result of this falling demand.

What has contributed greatly to our difficulties in finding customers who will pay the prices we are asking is the fact that United States industrial productivity has been rising as rapidly as ours has been falling. The result has been that we have been losing sales to United States producers at a steadily accelerating rate. It is obvious that we must introduce measures to increase industrial productivity, so that we can bring inflation back to a yearly increase roughly comparable to that of the United States and thereby make our selling prices competitive with those of our principal competitor. To do so, we must offer incentives which will persuade producers they will be able to pay for the new plant, machinery and production systems they will have to buy in a reasonably short space of time and, in this way, make it as easy as possible for them to make the usually high expenditures involved in the kinds of purchases I outlined.

The kinds of incentives I have in mind would be the following: First, all capital expenditures would be written off in two years. Second, a plant would be rewarded in the form of a generous cash bonus at the end of the year, in proportion to its increase in productivity during the year, compared to the base year—the last full year before the plan goes into operation. This form of incentive has been very effective in increasing productivity in such countries as Japan and West Germany, where spectacular results have been achieved since the end of the Second World War. There is no reason why such an incentive would be less successful in this country today.

So I think that the answer to our original question, when can controls be ended, is that the people of Canada will not agree to their removal until inflation is lowered to a level where they have found in the past that it can be tolerated, at around 3 per cent a year. Also, I do not believe that we can relax our efforts until we bring inflation to a level where we can once again compete successfully with our principal economic competitor, the United States, for the Canadian, the United States and the world market. That level will also be no more than 1 per cent above the United States target of 2 per cent a year, or no more than 3 per cent. In other words the answer to the question, when can controls be ended, is not a matter of time but of performance and results. The task before the government and the Canadian people is a formidable one, but one which must be tackled without delay. Reluctance to tackle the task vigorously will be very serious for the welfare of this country.

Now let us take a look at which direction the economy should take after controls have been discontinued. Once the target of 3 per cent inflation has been reached, I think it is obvious that it must be kept within that range for the good of the economy and for the good of the Canadian people. If there is a significant move by those elements of society whose pressures caused inflation to rise rapidly during the past few years to start it on another upward spiral, then controls will, of course, have to be reimposed. If we are to avoid having to reimpose controls, it must be made crystal clear that that will be done if those elements of our economy which have it within their power to create excessive inflation are unwilling to control their actions for the general good of the country.

In conclusion, Mr. Speaker, I believe that if it is made very clear and definite that this country has no intention of going through another round of spiralling inflation, once the present inflation has been brought within reasonable

bounds, we will have a very good chance of proceeding with a prosperous economy, free of the kinds of controls which were imposed last October.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the first budget presented by the present Minister of Finance (Mr. Macdonald) was characterized by the *Financial Post* writer, George Radwanski, who is certainly not a flaming radical, as a—

—continuation of a trend toward a nasty, gutless kind of conservatism—

● (1620)

Anyone who studies the budget will agree with Mr. Radwanski. The budget of this minister of finance shows the truth of the old adage—the more things change, the more they remain the same. Former ministers of finance, Mr. Benson and Mr. Turner, are gone. They are relatively silent. The former deputy minister of finance, Mr. Reisman, is gone but is still vocal. However, the effect of this budget will be the effect of budgets which they presented in recent years.

Those budgets produced hardships on the ordinary citizen of this country. This budget will do the same. They produced more unemployment. I predict that a year from now there will be an additional 100,000 on top of the present 760,000 unemployed at the present time. That is based on the best economic advice we have been able to get from economists who have been much more accurate in their predictions in recent years than economists of the Department of Finance.

The minister spoke glowingly and proudly about the way that inflation has slowed down in the past three or four months. I suggest that he dampen his enthusiasm. It is obvious to almost every business analyst and economist, other than the trained seals who work for the government, that the slowdown has been, and will be, very temporary. The slowdown in the rate of inflation was almost exclusively as a result of a reduction in food prices. Mrs. Plumptre of the late and unlamented Food Prices Review Board, now of the Anti-Inflation Board, agrees that food prices are going up.

There have been sharp increases in provincial and municipal taxes. They increased as a result of cutbacks forced on the provinces by the federal government. For the two largest provinces in particular, Ontario and Quebec, this has been a mean and regressive increase and has resulted in a doubling of hospital and medical insurance premiums. The increased cost to every family will be between $50 and $100 per year.

The federal government has agreed to increases in the price of oil and gas. Oil will increase $1.05 a barrel on July 1, and another 70 cents a barrel on January 1, 1977. That represents an increase of 5 cents a gallon in the wholesale price. Retailers will probably add on their increases. Therefore, every person who buys gas for his car or oil to heat his house will be affected. The price of natural gas has also been increased. For those families using natural gas, their costs will increase next winter between $40 and $50 for the heating season.

Last year, the increase in the cost of living was 10½ per cent. Although for the past three or four months it has been going up at a slower rate, it will go up more quickly beginning in July. From July to the end of the year there will be an increase of about 1 per cent per month. By the end of 1976, the increase in the cost of living will be 9 per cent as compared with the 10½ per cent increase in 1975. As if that were not bad enough, there will be a substantial increase in the rate of unemployment. In his budget speech, the minister stated that government estimates are that there will be an increase in the number of jobs in Canada of 250,000. However, the number of people who will be looking for work will increase by about 350,000.

Unemployment has been rising steadily. Last month, calculated on the seasonally adjusted basis, it was 7.4 per cent. That was the highest rate of unemployment in Canada since 1961. On the basis of any estimates one wants to make, it is obvious that this winter the unemployment rate, on a seasonally adjusted basis, will not be 7 per cent but 8 per cent. That is a tragedy for this country as a whole. However, it is sheer disaster for the slow growth areas.

Last month, the national rate of unemployment was 7.4 per cent. However, in Newfoundland there was 16.3 per cent unemployment. On the northeast coast of Labrador the unemployment rate was 19.8 per cent. In New Brunswick the rate was 13.2 per cent, and in the northeast part of that province, 26.3 per cent. Under those circumstances, is it any wonder that the members of this party object so strenuously to the proposal in the budget, and elaborated on yesterday by the Minister of Manpower and Immigration (Mr. Andras), that the period which people must work before qualifying for unemployment insurance will be increased from 8 to 12 weeks?

When the Minister of Finance made his budget address some days ago there were cries of protest, not just from members of this party but from Liberal members from Newfoundland and Conservative members from New Brunswick and Newfoundland. Yesterday, our amendment objecting to the increased qualifying period was voted on. It was an amazing sight. All the protesters, led by the minister who introduced the unemployment insurance legislation in 1971, the present Minister of Consumer and Corporate Affairs (Mr. Mackasey), were absent from the House and did not have to vote against the amendment. That was true of Liberal and Conservative members from the slow-growth areas.

The minister and some members of the House may think that we are being partisan for protesting that infamous proposal of the government. Let us see what the provincial governments whose people will be most adversely affected have to say. I quote from the Toronto *Star* of Friday, May 28:

Finance Minister A. E. Stairs of New Brunswick said the extension of the period of eligibility and the changes in the length of benefit "clearly indicate a substantial shift in the burden of social assistance to the province from the federal government."

● (1630)

He said, also:

It is most unfortunate that this kind of program change should be made without extensive prior analysis of the impact on regions such as ours.

Then the Nova Scotia minister of labour, a Liberal, Mr. Walter Fitzgerald, said he was discouraged by the proposals. A recent provincial study estimated that 14,800 people would lose their benefits of more than $9 million, he said. In pockets where unemployment was highest, such as Sydney, the net loss of direct income was predicted to be $3.3 million. That is what the ministers from the provinces with the highest unemployment are saying. For the Minister of Manpower and Immigration to say, as he did yesterday, that there would not be much hardship, that most of the people concerned could extend their period of work from 8 weeks to 12 weeks, and thus qualify, is to cast a slur on the bulk of the people who are unemployed and drawing benefits. The minister is implying that people work for eight weeks and then quit voluntarily so that they can draw unemployment benefits. Except when the minister has to make excuses, as was the case yesterday, he knows better.

When we talk about a rate of 7.4 per cent unemployment nationally, we are excluding native people almost entirely because native people who live on reserves are not counted when compiling the national rate. The minister should know this as well as I do, because there are a large number of native people in his constituency. He knows it, the Minister of Finance knows it, and I know it—but it is very likely that people in general do not. As I say, we have knowingly, and in a calculated manner, excluded the native people. The fact is, as the minister is aware, that between 60 per cent and 80 per cent of the native people who live on reserves are unemployed for all or part of the year. They are not even counted by those who compile the unemployment figures.

The minister implied yesterday that the government still believes in full employment. Here is what he said, and members can find his words at page 14085 of yesterday's *Hansard*:

> Our goal is not necessarily a 5½ per cent or even a 5 per cent unemployment rate. Our goal is the lowest employment rate possible having regard to inflationary pressures and the economic situation.

What the minister did not say was that his goal is somewhere between a rate of 7 per cent and 8 per cent. Liberal cabinet ministers always pay lip service to the idea of full employment. When the Minister of Consumer and Corporate Affairs was introducing amendments to the Unemployment Insurance Act in 1971, he said:

> I imagine somebody is going to suggest that the government has determined 4 per cent to be an acceptable rate of unemployment in Canada. Well, it is not my criterion. Like everybody else, I believe the acceptable rate is the lowest possible rate.

He was saying that 4 per cent is too high. Now the Minister of Manpower and the Minister of Finance, are regarding a rate of more than 7 per cent as being acceptable to them. In the course of a CBC broadcast on January 9, 1972, the Prime Minister (Mr. Trudeau) said:

> We have already entered into better times. I think the prodding will be less perhaps in the economic sphere; you won't be worried; you know you'll have 96 per cent of the work force employed . . . your concerns will be oriented more and more to the 96 per cent or 95 per cent of the population which is working and secure.

So, in 1972 the Prime Minister was accepting 4 per cent as being adequate. Now we are close to 7.5 per cent, with the rate likely to go up, and the government is not concerned at all. We are sometimes told by both Liberals and Conservatives that whether the rate of 7.4 per cent or 4 per cent, as it was a few years ago, the figures are misleading because there are lots of people who could find work at any time if they chose to do so.

Some members say that anyone who wants a job can get one. Mr. Speaker, the facts prove the contrary. At a time when there are more than 750,000 unemployed, the number of job vacancies is down substantially as compared with last year, especially in areas of high unemployment like Newfoundland. Job vacancies in the first quarter of 1975 amounted to 61,000 in all of Canada; in the first quarter of 1976 there were 48,100. In Newfoundland there were just 500 job vacancies, and in that province, as I have stated, 13 per cent of the work force is unemployed. So there is no way in which unemployed people in Newfoundland can get jobs at the present time. There were 15,400 job vacancies in Ontario, and I believe there were six times that number of unemployed in the province. So we face a situation of large-scale unemployment created by government policies. And who will bear the brunt? The unemployed and the people who work. The unemployed, because they will be cut off from benefit if they have not worked 12 weeks, and the employed who will have to pay higher premiums to make up for the deficit in the unemployment insurance fund.

We are seeing a two-step retreat from the financial commitment of the Liberal party in 1971 to create jobs for the unemployed. The 1971 act provided that the federal government would pay the cost of all extended benefits and the total cost of all benefits payable when unemployment rose above 8 per cent. According to the minister at that time, this provided an incentive for the government to keep unemployment down and thus restrict the size of the pay-out. In December, 1975, Bill C-69 amended the scheme so as to change the federal government's commitment from one based on the straight 4 per cent level to one based on an eight-year moving average. In effect, federal contributions kick in much later, as a result—in 1976 at 5.6 per cent, to be precise.

Amendments are now being proposed in the budget to reduce the financial obligation of the federal government still further by lowering the contributions payable when unemployment exceeds 4 per cent. We can understand why the Liberal minister of social services in Nova Scotia said at the opening of the meetings where the premiers rejected the welfare proposals of the Minister of National Health and Welfare (Mr. Lalonde):

> If the federal government keeps escalating the price of oil and tightening unemployment insurance, we're going to have the whole province on social assistance.

● (1640)

This is the sort of thing that has happened with a government led by a "mod" Prime Minister, a modern guy who has the media all agog. He knows what the people are interested in and can anticipate their wants. He can move to meet their needs. What he has done in fact, as I have indicated, is not only to give us the highest unemployment we have had in 15 years, but he has tried to convince the people of Canada that they should accept this as normal and as the right way to do things.

Let me compare for a moment this "mod" Prime Minister, who is really "with it", as our young people say, with

an old-fashioned, liberal political leader in the United States, a man who has been in politics for a long time, who is presently a senator and was once vice-president and a presidential candidate, failing to get elected by less than one per cent of the vote, Hubert Humphrey. We Canadians read American newspapers and magazines a great deal and we picture Hubert Humphrey as somehow old-fashioned, that he really is not "clued in" to the 1970s. I want to put on the record a few paragraphs from the Congressional Record printed in Washington for January 15, 1975. Senator Humphrey had introduced a bill, the equal opportunity and full employment act for 1975, and I would like hon. members to compare what Senator Humphrey proposed with the record of this "mod", up-to-date government which has permitted, indeed welcomed, 7.4 per cent unemployment. He said:

> In December, 6.5 million Americans, 7.1 per cent of of the labour force, were "officially" counted as unemployed. Of course, for members of minority groups conditions were much worse.
>
> In the last 12 months "official" unemployment among blacks rose 50 per cent, from 888,000 to 1.3 million people.

I pause there for a moment to suggest that if we compare our record for employing native people with the United States' record for employing black people, we Canadians would have to hang our heads in shame. Senator Humphrey went on to say this:

> In 1948, the "right to work" was clearly established in the Universal Declaration of Human Rights adopted by the United Nations . . .
>
> Despite the official declarations and the generally well-intentioned policy pronouncements, we have failed dismally to provide "jobs for all". Large segments of our population, especially women, the young, the old, the poorly educated, and ethnic minorities, have had their "right to work" ignored and, in many cases, the fact of their unemployment swept under the rug and conveniently out of sight by "official" statistics.
>
> . . . it is time to fulfil this promise of "jobs for all," a promise that far too long has gone unmet. We must guarantee an equal opportunity to work at fair wages to every person in our nation who is able and willing to work.

He then went on to outline how he proposed that this be done. He called for the establishment of local reservoirs of public service and private employment projects developed by local planning councils in co-operation with community job boards. He called for the creation of a job guarantee office able to fund public and private work projects developed through the local reservoirs. Senator Humphrey was not talking about some band-aid, cosmetic measures, like a few LIP or OFY projects; he was talking about jobs for everybody, about unemployment of probably of 2.5 to 3 per cent. That is not too far removed from the 4 per cent unemployment level which over the years the Economic Council has calculated would be full employment in this country.

We have argued that dealing with unemployment is the number one priority in this country. We have argued that to meet the threat of unemployment what we need is a budgetary deficit that is substantially greater than that proposed by the minister, so as to give the economy the stimulation it needs to get people back to work. Our calculations indicate that a deficit in the order of $4.5 billion would be necessary in order to inject any significant stimulus into the economy this year. This would mean a tax cut, preferably for those in the lower income brackets, of about $1.2 billion.

In addition, we have argued that we should end the indexing of income tax and the assortment of middle-class tax gimmicks that the government has introduced in recent years. This would free another $1.5 billion that could be included in a redistributive tax cut. Such an amount, roughly $3 billion, would be enough to provide a sizeable tax cut, which we have calculated to be in the neighbourhood of $250 for each person who files a tax return that shows an income of $15,000 and under. It is our belief that these are people who essentially do not save money; they would spend this tax cut of $250 and the injection of this money would lead to the purchase of goods and services, which in turn would immediately bring about a sharp reduction in the number of people unemployed.

With 7.4 per cent unemployment, Mr. Speaker, the economy needs a stimulus in the order of the roughly $3 billion tax cut that I have mentioned. This is a doubly advantageous time to provide such a tax cut because the income redistributive effects of ending the middle-class tax gimmicks would provide more equity to the system at the same time as it was delivering increased income to the bottom end of the income scale, where it would tend to be spent rather than saved, as I have already said.

The only objection that we have heard to a tax cut at this time, an objection raised by the Minister of Finance, is that the stimulation of demand on the kind of scale I have suggested would rekindle inflation. We reject that opinion. We insist that that is not a valid argument, for the simple reason that all these statistics that have been released by Statistics Canada, the Department of Finance and the Department of Industry, Trade and Commerce show very clearly that the industrial sector of our economy at the present time is operating at only about 80 per cent of capacity.

Although some of this has caused a slump in exports, a great deal of this excess capacity could be geared to domestic markets. We believe such a stimulation of the domestic market would not be inflationary but would lead to an economic recovery. It would use up our unused capacity, put people back to work, and in the long run have a positive effect on the rate of inflation. If you make housing more available and reduce the high cost of purchasing homes, the shortage and the high cost factor would tend to disappear. It seems to us, again—

Mr. Deputy Speaker: Order, please. I regret to inform the hon. member that his allotted time has now expired.

Mr. Orlikow: I will just be one minute.

Mr. Knowles (Winnipeg North Centre): One minute.

Mr. Deputy Speaker: Is there unanimous consent to allow the hon. member to complete his remarks?

Mr. Paproski: One minute.

Some hon. Members: Agreed.

Mr. Orlikow: Thank you, Mr. Speaker and hon. members. I simply want to say that I believe this budget tends to cool down the economy and restrict its growth, and will, therefore, increase unemployment when it should be doing

exactly the opposite. The budget should be geared to put people back to work in order to meet those unfilled needs of the hundreds of thousands of people in this country who are still living in poverty.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. Before recognizing the hon. member for Kitchener (Mr. Flynn), may I be permitted at this time, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Halifax-East Hants (Mr. McCleave)—Agriculture—Request for report on study of effect of removal of freigh subsidy on wheat and flour for export: the hon. member for Palliser (Mr. Schumacher)—The Queen—Date of statement on plans to celebrate Her Majesty's silver jubilee; the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall)—Energy—Dispute between Newfoundland and Quebec over Churchill Falls power—Action of minister.

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed consideration of the motion of Mr. Macdonald (Rosedale) that this House approves in general the budgetary policy of the government, and the amendment thereto of Mr. Stevens (p. 13901).

Mr. Joe Flynn (Kitchener): Mr. Speaker, I would especially like to thank you today for allowing me to join some of the elite of the political parties to present my first comments on the budget. I should also like to commend the Minister of Finance (Mr. Macdonald) for presenting a most realistic budget. In these inflationary times this is the kind of budget that is needed. It is the kind of budget that is going to be instrumental in combating the economic difficulties we are facing.

An hon. Member: You can do better that that, Joe.

Mr. Flynn: If you will listen, it becomes even more succulent. It is the kind of budget that is going to be instrumental in combating this kind of difficulty. It is a realistic budget that does not suggest quick or facile methods. Nor does it entail draconian methods. Certain government critics may condemn the Minister of Finance for proceeding far too cautiously. I would think they should be reassured to know that their country's economic future is being handled cautiously. This is not a time for magnificent extravaganzas; this is a time for restraint, for economic recovery and for reality.

An hon. Member: Who wrote that—you Don?

Mr. Flynn: If hon. members will pay close attention they will realize this is a wallner research report and, therefore, is very special. I do not claim to be an economist, but I certainly do know that Canada's material prosperity is at stake. As was to be expected, the May 25 budget is inextricably linked to the anti-inflation program. Of the 1,500 largest Canadian companies that fall under the direct control of the Anti-Inflation Board, 35 have head offices in Kitchener, Waterloo, Cambridge, Guelph and Stratford. More than 40 others have head offices elsewhere but are major employers in this area, including such a local giant as Uniroyal Limited.

There are also many companies with local branch offices, distribution centres, franchise outlets or stores in the area. Among them are all the major banks, most of the major retail store chains, car dealerships, mortgage and insurance companies and service industries, such as those involving computers, office copying machines, etc. Naturally, the business community of the Kitchener area watched with interest the proceedings of Tuesday last.

The Minister of Finance reported in his budget speech that the controls program has begun to take effect. When the anti-inflation measures were introduced last October, the consumer price index was at 10.6 per cent and rising. By December it had dropped to below 10 per cent, and it dropped to 9.1 per cent in Feburary, the best record in well over two years. There has been excellent public support for the anti-inflation program. A public opinion poll showed that fully 61 per cent were in favour, while only 22 per cent were opposed. The May, 1976, budget is another measure which increases the whole effectiveness of the anti-inflation program. It is meant to enhance the steps taken in other areas, especially in respect of reductions in government spending and cutbacks in the growth of the public service.

A Kitchener chamber of commerce publication describes my constituency as being noted for its sausages, Schneider's sausages, its spareribs, its pigtails, its sauerkraut and its good food in general. But, it is also known for its television sets, its fine furniture, its electronic components, its shirts, its sweaters, its shoes, the stability of its labour, the high productivity of its workers, its hospitality and its reputation as a desirable community. The budget just presented will support and encourage this good life in Kitchener, Mr. Speaker.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, may I commend the hon. member who has just resumed his seat for the brevity which characterized his remarks. I have never pretended that I have been popular in all the years I have been here, but at least one claim I am able to make is that no Speaker has ever had to rise to tell me that the hon. member's time had expired. Perhaps that is because I have good eyesight and have seen the Speaker starting to rise, but I have always avoided that error.

Normally, it is a very ebullient pleasure for me to take part in the general debate on the throne speech and the

budget debate, especially when on occasions such as this afternoon I see around me a crowded, hushed and expectant House.

Some hon. Members: Oh, oh!

Mr. Macquarrie: This year and in this session, sir, I have lost some of that high excitement which usually characterizes my learned and deliberated utterances. I find this is not one of the parliamentary sessions which brings a great deal of uplift to me. I note, in beginning, in a very mundane way, that we have now reached over 14,000 pages—not words, but pages of *Hansard*. If anybody thinks that is not too long for a group of parliamentarians to be together talking about the same sorts of things, I disagree with that person. It is a time, also, when there is certainly unease about the management of our national affairs. We have a cabinet divided; we have resignations; we have near-resignations; we have a government seeking to put into effect an aborted form of policy or proposal the opposition to which brought it into office.

● (1700)

We have a society which is seriously divided. A major segment thereof, namely, labour, is strongly and seriously committed against a major aspect of the government's program. We have scandals; we have near-scandals; we have suggestions; we have anxiety. I may say that never in my now, fairly long time in public life and my much longer period of study of Canadian political institutions have I seen anything more reprehensible than the behaviour of the Minister of Supply and Services (Mr. Goyer) in the manner in which he tried publicly and in this place to thrust responsibility and blame upon a public servant. That, I thought, was a new low. We are becoming accustomed to in-fighting among ministers, to the absence of ministers and to the passing of blame from one minister to another; but I think most heinous and reprehensible is the attempt in public and in parliament to throw the arrow of responsibility and culpability on a senior public servant who has no chance to appear before us and state his case.

I also think, since this long session began, about what great changes have occurred. This does not mean I have a magnificent memory; however, I can remember when that most handsome man, that brilliant athlete, that gem in the French and English-speaking world, John Turner, was here. Where is he now? Where has he gone? In this long procession of history we began with Prince Charming. Then he was "Mr. Clean", "The man from Glad", "The architect of our economy". Where is he now? Why has he gone? Did the Prime Minister of Canada (Mr. Trudeau) think that the hon. member for Rosedale (Mr. Macdonald) was potentially a better minister of finance? Did he think he was a better architect of our nation's future in economic, monetary and fiscal terms?

I am quite capable of criticizing the Prime Minister, although I am not a partisan man. But I have never accused him of really believing that. That, I would not charge him with. So we are left with the greatest failure as House leader that any parliament has ever seen, and he is moving on in his great, lumbering gait to become the most disastrous minister of finance this country has ever seen.

In this budget debate it is not our task or my job to reflect upon the difficulties of the Prime Minister, although if I were totally relaxed I could enjoy some of these reflections. We must think about the state of the national economy. It is our job to analyse and assess the pertinent and pressing facts of our national economic life. What, sir, is happening to this country? What are the portents, and where is our present leadership leading us?

An hon. Member: Onwards and ever upwards.

Mr. Macquarrie: He says, "Onwards and ever upwards," but my dear friend did not go upwards as he should have. If I were a cabinet-maker, I would have put him up. I am old enough in this parliamentary stage to remember when budget night was a great experience; the galleries were packed and the House was packed. We came here; we waited and we listened for portents, for forecasts, for policies and for analyses which were going to be important. We waited expectantly for those changes which would alter the life of the nation and affect the lives of all the people in the nation. Canadians waited expectantly for something which would have a bearing upon their day-to-day economic existence.

But what of May 25? After the great speech had been delivered, what was the result? In our highly-computerized and technological society, could even the most sensitive computer measure the degree of uplift among any sector of Canadian society? The most common, and perhaps the most frequent, description of the minister's effort was that euphemistic expression "stand-patism". Indeed, I wondered then, and I wonder still, why it was thought necessary to present a budget at all. Many thousands of seasonally employed Canadians will suffer; but apart from this group, what benefits will flow to the Canadian population; what will be the strengthening effect upon the sagging Canadian economy?

The question is almost a rhetorical one. The impressive, serious and compelling economic indices are all negative—indeed, profoundly disturbing. Before I came to this House, I spent many years studying what was called the dismal science, the study of economics. It was dismal then, and it is dreary now! But one thing we were taught by our professors was that inflation and unemployment were cyclical developments, one following the other and that if the economy was well managed, you would not have either.

It is the great achievement of this government—which has been in power for 13 years—that it has broken that law. The government has stood that law on its head or on its posterior—whichever it is—and we have inflation and unemployment together: not only together but, additionally, seemingly forever! Both inflation and unemployment are together and in the average month we see from Statistics Canada the same distressing statistics no matter how devious may be the effort to alter the formula.

Expressions like, "seasonally adjusted" are now ancient. About five years ago, someone asked me what it meant, and I said that I was not sure. However, I did say that I thought it meant that it is not as bad as it could be. I think I am right in that. In this twentieth century, with the very best efforts and with the greatest deficits, we have 7.4 per cent of our work force out of work. No matter how one describes it, that is far too many unemployed Canadians.

Not only is that continuing this month, but it has been continuing month after month since we converted into the "just" society.

We have a great army of functionaries. We have all sorts of people on the Anti-Inflation Board. If the Prime Minister could not wrestle inflation to the ground, who is to say that the callous Jean-Luc Pepin, or the more callous Mrs. Plumptre are doing the job. Of course we will not bring inflation to the ground. Any housewife or house spouse in Canada knows that. While it might seem economically sound to talk about stand-pattism on budget night, and while we may watch all the postures and expostulations of ministers and their apologists, we know that when that is all over there is not a single hopeful or positive sign to which they may point. Of course, they may hope that somehow in the United States things may get better and that we may benefit from the economic recovery in that country. I imagine when that day comes we will not receive any telegraphed messages from the Secretary of the Treasury of the United States. The ministers of this government will be taking credit, and not admitting it is just a spin-off from the American development.

● (1710)

My colleagues have discussed many aspects earlier in their fine discussions and argumentations and I know that further examinations of our national situation will follow. I want to pay tribute to my colleague, the hon. member for York-Simcoe (Mr. Stevens), who has made an excellent analysis of our economy. I have the mildest, most subtle suggestion for the minister—he will not be there for more than 24 months at the most—in his disagreement with complete secrecy in the budget. If he wants to go out of office with some degree of credibility, I suggest he listen to our spokesman and others who have thought about these things very carefully and have put the national interest ahead of party advantage.

Some hon. Members: Hear, hear!

Mr. Macquarrie: Mr. Speaker, as the first member from the Atlantic region who has spoken on this side, I want to focus my thoughts for a short while on the vital question of regional disparity. Coming from Atlantic Canada, I think that I have the right to draw upon my experience in this field.

In the construction of a federal state, it is the very ethos of such a developing organization that the advantages and disadvantages of the component regions be recognized and shared. If the Atlantic area has suffered because of national policies, it is surely quite clearly and rightly and properly the responsibility of the national authorities to make redress, to make adjustment and to make equalization for that situation. The basic question in the discussions in Charlettown in 1864—a city which I have the honour to represent in this parliament—concerned the great economic questions affecting the various regions. As John A. Macdonald said more than once, 90 per cent of all the agreements were made at the Charlottetown meeting in September, 1864.

Since this is general debate, Mr. Speaker, I might say that in the present mild flurry of discussion about our constitution I hear the Prime Minister talk about the patriation of our constitution. I should like to take the opportunity of saying to him that if it is necessary to use that non-word, at least he should recognize Canadian history and recall that the British North America Act, although entirely and technically an emanation of the British parliament, was in fact the product of Canadian discussions, of Canadian statemanship, and in every way was "made in Canada". So if we must use the Latin construction "patria", which is so dated, when we talk about patriotism—the word is not "patriation", but "repatriation"—we are bringing back to Canada that which was made in Canada by great and distinguished Canadian statesmen, the chief of whom was Sir John A. Macdonald.

To move from terminology to economics, Mr. Speaker, I must say that I am profoundly disturbed about what is happening in the Atlantic region. I have often said in this House that just because we have grown accustomed to national policies working to our disadvantage there is no reason why we should be asked to like those policies. Overexposure does not in this case mean overaffection and the purpose of this government—especially in relation to the Department of Regional Economic Expansion and most recently in the budget of May 25—brings little cheer to Atlantic Canada and the long-suffering people from that area where this nation began.

We still have month after month, year after year, the highest unemployment rate in the whole country. Our cost of living is still high; our wages are low! Month after month the grim statistics tell their tale. In those indices of prosperity which should be high, we are generally, universally and apparently eternally, low. In those areas where a low figure indicates economic well-being, we have these figures high. One has only to examine these statistics of unemployment. One has only to refer to the report on the cost of living, which gives the annual income of our people year after year after year, to check the veracity of the assertion I am making. Time after time I have tried to convince successive ministers of public works that it is a cruel injustice to pay people working for the government of Canada in the Atlantic region a lower per-hour rate than those doing the same work in the rest of Canada. The prevailing wage rate program is one of the greatest economic deterrents to maritime prosperity that I can think of.

I have said that the Department of Regional Economic Expansion is of immense importance to the sea-girt provinces of the east. It is the department which has special responsibilities for programs designed to redress some of the grave imbalances in our national economy. That is a good thing, and it is an important department. It is of the essence that regional economies be strong. No nation can be really prosperous or economically strong if any of its constituent parts are suffering from chronic economic depression. That is why 100 years ago Sir John A. Macdonald, after serious discussions with Joseph Howe, admitted quickly that changes in the basic document, the British North America Act, must be made to bring about a degree of justice to Nova Scotia and the Atlantic region. All these foolish announcements about special status for certain provinces being wrong is not historically true; all our provinces have special problems. Those whose economy has been damaged by national policies have all the more right to a special regard from the national government. I

believe all of us in this House from Atlantic Canada and all our people want DREE and the minister to be successful, to really accomplish something and to diminish the gulf of inequity which retards a healthy economy.

I congratulate the new minister. I have high regard for him and wish him well in all his endeavours. But I regret that we see indications of serious communication problems between his department and its provincial counterpart in Prince Edward Island. At least this is the view of the Hon. Gilbert Clements who appeared before the Standing Committee on Regional Development on May 23 and who had some sharp criticism of the federal department. He told the committee:

> But I have no hesitation in saying that the communications with DREE and the action that we get from DREE is very poor . . .
>
> The attempt to decentralize, as far as I am concerned personally as one minister, is not worth it. We have a bureaucratic bog that is very difficult to cut through, and I think this is where the whole problem is. You ask a simple question and it gets lost in the wheel. You just do not see it again. It is very difficult for my people in my department to be continually trying to get answers to very simple, basic questions while we have a lot of work to be done.

Later at the same meeting, Mr. Clements declared:

> I can just answer this way. We are not the only province that is having problems with DREE, as I indicated, by the four ministers. Their frustrations are equally as great as mine. So there is nothing special about the plans in the other Atlantic provinces so it would look as though the problem is the same.
>
> ● (1720)
>
> I do not object to dealing with all kinds of people in Moncton and Charlottetown at all, as long as the pipeline to whoever makes the answer is open. But when you get the pipeline clogged then you are in real trouble and, of course, if you are dealing direct with Ottawa and you get a plugged pipeline then you are no better off.

He went on to say:

> But it seemed that under the first part of the plan when I was not really involved with it, the line to Ottawa was more direct, the answers were direct, and progress was made. Now it is difficult to even sit down and have a meeting with people. I was just indicating to your chairman here, a top level person in our province requested a meeting with DREE a month and a half ago that has not taken place.

I suppose that it is not surprising that there should be problems between Mr. Clements and the Minister of Regional Economic Expansion in Prince Edward Island. The present government has been notable in the development of a climate of misunderstanding between the federal and provincial levels of jurisdiction. One recalls the recent and repeated pleas of Premier Regan on the energy problems of the province of Nova Scotia, and I recall the chastising lecture which was given by the Minister of Energy, Mines and Resources (Mr. Gillespie) which was recently replaced by a more reasonable attitude. The Premier of Prince Edward Island must feel eternally the odd man out, because his representations on transportation, national parks and other vital questions seem, if not unnoted, at least to be unheeded.

But much more serious than the lack of communication between the federal DREE minister and his provincial counterparts is the perpetual situation where it appears that no other minister in the federal cabinet communicates with the DREE minister. That department was set up, and rightly so, to look upon the inequalities between regions of Canada and to do all in the power of the national government to diminish the gulf between those economically disadvantaged regions and the national average. That is a laudable and proper role for the national government, and it is one which only the national government can perform.

Former Premier Smith of Nova Scotia was constitutionally right and proper when he had that inserted on the agenda for the dominion-provincial conference—if I may use that proper and correct word "dominion"—but if none of the colleagues of the minister pay the slightest attention to this concept, we are not going to get very far. What is the use of having the Minister of Regional Economic Expansion assert and try to carry out the notion that there are special needs in certain areas of this country requiring special action by the national government, if his colleagues, one after another, say that they must apply a uniform standard?

Did the Minister of Transport (Mr. Lang) listen to his colleague, the Minister of Regional Economic Expansion, with reference to the ferry situation? Our great problem is to transport the products of the sea and the soil, to other parts, as well as tourists, and our Minister of Transport allowed a 100 per cent increase in one ferry rate and a 60 per cent increase in another. He enunciates the brilliant theory: let the user pay the fare. I will not begin to tell how many people in the Atlantic provinces pay for the St. Lawrence Seaway.

Did the Minister of Indian Affairs and Northern Development (Mr. Buchanan) consult his colleague when he forced the people of Prince Edward Island to go to the beaches of the North Shore by entering the Prince Edward Island national park? In other words, until there is recognition by all the members of the cabinet that there are special factors affecting the disadvantaged regions, then the Minister of Regional Economic Expansion will never be able to make a success of his very important portfolio, and I am wondering if there is even yet a glimmer of recognition by the present government of the great problems facing the Atlantic region.

The only innovative idea I saw in the statement of the Minister of Finance of May 25—and I commend him for this—was the suggestion that something should be done for those who are moving to alternate power sources. I congratulate him for that. I cannot see anything else. I have not seen, for one moment, in the mind of the Minister of Energy, Mines and Resources the slightest recognition of the energy situation affecting the maritime provinces. It is easy for him to give little lectures to the provinces about cutting down their highway speed and turning off their lights—but he can watch, and if he is at all interested he can study the situation with reference to the Fundy tides. We all believe, or we say we do, that we are heading toward a future in which energy resources will be very seriously drained. There are few energy sources which are renewable; but in Atlantic Canada today we have a magnificent source of energy which, as long as the earth, the sun and the moon endure, will be there. That is longer than most of us will be here.

The Fundy tidal study has been analysed and researched in depth; studies have been made of the studies. We know it can be done. We all know that the time will come when it must be done; but did we see the slightest scintilla of suggestion in the budget the other night about this magnificent source of energy? I fear that if the present

administrators of our realm are in possession of the keys of the kingdom for 24 more months, nothing will be done and there will be a delay until we reach the stage where it has to be done—and the cost will be many times greater than it would be now. I believe it was the great French philosopher, Montesquieu, who said: "To govern is to foresee". Heaven help us! We have tried and tried to help the present government foresee the energy needs of the whole country and the energy opportunities in the Atlantic provinces.

I listened carefully to the Minister of Manpower and Immigration (Mr. Andras) when he had the placatory job of picking up the broken pieces from the crumbling of the unemployment insurance measure. He told us what was going to happen and what was going to replace the curtailment of the benefit eligibility period; but he took fine care that he gave us no details. He had no program, and there is nothing I can tell the young people of Atlantic Canada, especially as to what will replace this change.

It is easy to talk about jobs and new creations. Are we going to have LIP ad lib? In some way, are we going to pick up the young people's program? What are we going to do? Some day this session will adjourn. Summer is coming. We might end this portion of it. I would like to know from the Minister of Manpower and Immigration what to tell the people down there and what is coming in place of this. I invite the minister or some of his cabinet colleagues to tell us, before this debate is over, so that we can tell our people what is coming from this disastrous budget.

Some hon. Members: Hear, hear!

Mr. Bob Kaplan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, there is a rumour around that the Liberal caucus opposes the tightening-up of unemployment insurance which is taking place in the current budget. I have no intention of representing the views of the Liberal caucus, but in view of the rumour I want to speak for myself and indicate that as a Liberal I very much welcome this part of the budget. In fact, I think we would have had a better unemployment insurance program if even more changes had taken place, and I want to suggest some to the government.

Anyone who criticizes the extent of payments which the government makes to the unemployed needs to be attacked for being a yahoo. After all, what can be wrong with giving payments to people who are out of work? When the program was first proposed I remember the tremendous pressure from the business community which expressed concern about the potential cost of the program and its possible effect on the work ethic. There was an answer. It was said that this kind of criticism was being made by people who were against unemployment insurance. Some people said, "What does the business community know about the work ethic?" Besides, the plan was to be an insurance type plan supported not by taxes but by employer-employee contributions.

● (1730)

During the 1972 election campaign I remember my opponent arguing that in its first year of operation the unemployment insurance program had exceeded its estimated cost of operation by $1 billion. I went through the entire election campaign without contradicting him. He was wrong. The excess was slightly over $600 million. I remember asking myself, after I was defeated, if the government would have introduced the program in the first place if it had known that it would cost in the first year $600 million more than was estimated.

Putting aside the enormous contributions made to the fund by employers and employees, the federal government's contribution to the unemployment insurance fund, or our tax contribution, rose in 1971 from $103 million to an estimated amount for the fiscal year ending in 1976 of $890 million. I understand that the estimated contribution for 1976-77 is $1.7 billion. And that does not include the contribution made by the employer and employee.

Mr. Stevens: So you agree that there was a mistake?

Mr. Kaplan: That represents quite an escalation.

Mr. Stevens: There was a mistake, was there not?

Mr. Kaplan: Unemployment insurance can be looked on as a great liberal advance. I agree with it. I think unemployment insurance is a program which Canadians are willing to accept; it represents a recognition of liberalism in society. It represents the recognition that while opportunities should be provided for the individual to make the most of himself, to fulfil his life, the grave risks of losing one's livelihood should be shared.

The unemployment insurance program has always been difficult to administer because of its many facets. We consider the job search, and the quality of that search. During the initial period the government encountered understandable difficulties in controlling and administering the new program. Yet with the benefit of hindsight I find it hard to be critical of the way the program was administered. So far as I can see, and I followed the program closely, there are now few difficulties connected with abuse of unemployment insurance. I think the program is well administered and adequately controlled. As I see it, the budget we are considering is not concerned about abuses so much as about initial design problems, if I may put it that way.

Mr. Stevens: And who is responsible for those problems?

Mr. Kaplan: We are concerned about some aspects of coverage which do not involve abuse but which involve the lawfully recognized conditions under which an individual is entitled to come forward and claim unemployment insurance.

Mr. Stevens: And who put those provisions in the plan?

Mr. Kaplan: And who will improve them?

Mr. Paproski: We will, when we take over in 1978.

Mr. Kaplan: Oh yes?

Mr. Paproski: Don't worry, Bob. We shall take over.

Mr. Kaplan: Mr. Speaker, I notice a strange ambivalence on the part of hon. members opposite with regard to unemployment insurance.

This plan has always enjoyed, in large measure, the support of members on all sides of the House. It puts into practice the principle that we are our brother's keeper. It gives members of our society while unemployed, and seeking an opportunity to return to the work force, the support they deserve.

As I said in the beginning the business community voiced its concern. Now as of 1976 the difficulties connected with the program are widely recognized far beyond the business community and the present budget is designed to correct those very difficulties which are of concern to members of the community at large. No matter which neighbourhood of my constituency I visit, I hear people grumbling about individuals who are on unemployment insurance and who, in the opinion of neighbours, ought to be working or would be working if a genuine incentive existed to find a job. I occasionally hear parents say this sort of thing about young people.

Let me tell the House something that happened to me not long ago. Last Friday afternoon I received six students from my riding. They attend York University. One of them came up here to work in a government department; the job, starting this summer, is to be permanent. The other five were on unemployment insurance. Well, they had been students for the year and, as it turned out, had all worked last summer. Therefore having worked for eight, nine or 12 weeks last summer, they were qualified for and entitled to unemployment insurance if they could not find a job.

I told them that I had seen help wanted ads in shop windows in the shopping centre where my constituency office is located. There were signs saying, "Cashier Wanted," and "Help Wanted," and so on. I asked these young people if they knew about such opportunities, and had tried to take advantage of them. They said to me, "Well, no. This is how we looked for our jobs—we sent out nearly 100 letters to all sorts of businesses, asking for jobs." They said that none of these letters produced an offer of employment; they felt that, having spent nearly $10 on postage in conducting their job search, they were entitled to claim unemployment insurance. I can imagine how parents who work all their lives feel when confronted with a situation like that. But they tried for a job, continued to write letters, and to claim unemployment insurance.

Let me refer to some statistics which the Minister of Manpower and Immigration (Mr. Andras) brought to the fore when he spoke the other day. He said that in a majority of cases those who claimed unemployment insurance for the maximum period after eight to 11 weeks of work were able, when their qualifying period ran out, to find employment. A large percentage found work within six weeks. I think that many of them are like the students who came to my office from my part of the city of Toronto. They may not be aware of where to find work. Or, if they were given a greater incentive to find work, many would be able to do so, I am sure.

I think the changes in the plan will benefit regions like mine. The changes proposed by the government are changes in the right direction. They will increase employment, not increase the number of people on welfare. Not only will they lead to increased employment; they will lead to increased productivity in our economy. There are labour shortages in every sector.

I turn now to the problems we encounter in some depressed regions of the country. There the situation is quite different. I understand that there you cannot go into a shopping centre, as you can in Toronto, and find jobs advertised in store windows. It is hard to find work in those areas. The question we must ask ourselves—and the hon. member for Hillsborough (Mr. Macquarrie) asked it but without looking at the answers—is this: is unemployment insurance the kind of constructive program which will produce employment in depressed areas of this country, or must we do something else? Instead of institutionalizing employment can we increase productivity in Canada? Shall we continue features which create a sense of entitlement to a pension? In other words, if we do not change the unemployment insurance program will we make Canadians, especially those in the depressed areas, into a nation of pensioners?

By themselves I think unemployment insurance payments are a false solution, a false source of prosperity and stability for the depressed regions of the country. There is a better way. If the hon. member for Hillsborough had listened to the minister, or read his speech, he would know that the government is making solid proposals for job creation, proposals which will bring development to our depressed regions, and programs which ought to be in place in depressed areas in order to create employment. I believe that most Canadians want to work. It is particularly frustrating for the unemployed in the depressed regions of this country because the jobs are not there.

● (1740)

You cannot have a program that is escalating in cost the way this program is and try at the same time to add something new and substantial to the job creation element. When government expenditures just cannot be permitted to grow at their recent historic rate, you have to cut back some programs in order to expand others. In my view nothing can be more rational than to cut back a program like unemployment insurance where the thrust of it is directed toward providing a kind of false alternative to employment, and to try to develop programs that create employment. I very much welcome that. I think you can be a Liberal and welcome that alternative. I very much approve of what the government has done.

Recently I wrote to the minister. I made a number of proposals for amendments to the Unemployment Insurance Act which are not anti-liberal, anti-the unemployed, anti-the depressed regions. They are designed to give the government the resources to really do something about the depressed regions and to create a base of employment in those regions.

I recommended lengthening the qualification period. This has been done. It has been lengthened to 12 weeks. When the minister appears before the committee it will be interesting to know how much resources would have been freed if that 12 weeks had been 16 or 20 weeks, as are the qualification periods in use in the other liberal societies of western Europe and the industrialized world.

Second, I suggested adjusting the benefit period, which has been done, so that a shorter benefit period will apply for a shorter labour force attachment period.

Third, I suggested that family income should be taken into consideration. This was not done in the budget. I hope it will still be considered. The individual who has no dependants, who is alone, would receive a smaller unemployment payment than the individual who is the sole earner and has a family to look after. For the individual who is a second earner in a family and whose income is not as essential, the payment could be lower.

One would like to see larger payments go to all individuals who are unemployed and who are genuinely searching for work, but we are talking about limited resources. If resources are limited, is it not better to give them to those who need them more, and use the savings to try to create employment, instead of just creating a government pension base for a local economy?

Fourth, I suggested that the government take a look at the situation of part-time and seasonal workers. I do not think the theory of the unemployment insurance system was that a part-time worker and a seasonal worker were to participate in benefits on the same basis as a person who found a full-time job, intended to be a full-time worker, lost that job and is looking for another full-time job. Special rules should apply for people in the work force on a special, temporary, part-time or seasonal basis.

Fifth, I drew the attention of the minister to a special type of unemployment, the layoff. A fair percentage of people who are unemployed and on unemployment insurance do not consider themselves to be unemployed. They consider themselves to be waiting for a recall from the employer who laid then off. Their situation is special. The employer who lays off a person because there is not enough work in the plant, or whatever it is, for the time being, has a responsibility to those employees he hopes to get back when business improves. His responsibility is greater than that of the employer who has had to lay off or fire people or close his business without the intention of recalling them. In a case like that, the laid-off employee should not be treated in the same way as the ordinary hardship case that led us to opt for a very generous unemployment insurance program in the first place.

Finally, I stated to the minister that there was a change which many were advocating that I do not support and do not want to see take place. Say a person earning $10,000, $11,000 or $14,000 a year loses his job. It is suggested that while such persons are looking for a similar job they ought to be forced by the administration to take any job that comes along.

As an example, a person may have worked as a manager in a business that has gone bankrupt. He wants to find another job as a manager. The case is put forward that this person ought to be prepared to take any job rather than go on unemployment insurance. I reject that argument. The unemployment insurance program ought to permit an individual who had a job that required high qualifications to have the opportunity to find a similar kind of job.

If a manager who has been laid off must accept a job as a waiter or something similar, it would be very difficult for him to make a proper job search for the kind of job he is capable of doing and which is more productive in terms of what it does for the economy as well as being more remunerative for him. That individual should not be forced to take any job just to get off unemployment insurance. He should be given a fair chance to find the kind of job he had before. I was very glad the minister did not go that far in making changes.

I look forward to seeing the bill introduced by the Minister of Manpower and Immigration implementing these two extremely progressive changes. They will free funds which ought to be clearly committed to areas of need and to create employment in areas where we have been providing as an alternative an unemployment insurance base. That is really a dead end or false alternative.

I congratulate the minister, and indicate to him that I very much support what he has done. I consider it to be the kind of liberal approach to improving this plan that has been needed for some time.

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, this is a very dull, ho-hum type of budget. It has done very little, if anything, to excite the Canadian people or to help the economy of the country.

The government is relying on the anti-inflation regulations brought in last October in the hope that they will do something to control inflation in Canada. Even though it campaigned vigorously against any form of controls, last October it saw fit to bring in controls. However, that has not done very much to control inflation in Canada. It has not done anything to get people moving in the proper direction to control inflation in Canada.

The government brought in the budget because it was embarrassed about the length of time that had elapsed since the previous budget. Therefore it felt it should bring one in. It certainly was not very much of a budget.

● (1750)

We see that the main thrust of the budget is directed toward unemployment insurance. We don't really need budgets to debate unemployment insurance. It would have been easy for the Minister of Manpower and Immigration (Mr. Andras) to have brought in the necessary proposals to present to parliament in an effort to do something about unemployment insurance. But because the Minister of Finance (Mr. Macdonald) could find very little to put in the budget, or because he did not want to find very much, he concentrated on the unemployment insurance aspect. Thus we find ourselves today debating unemployment insurance and the absence of proper administration instead of the economic situation. What we are really discussing is the attempt to fix up the unemployment insurance arrangements which were brought in some years ago by the government, and which are not working.

From time to time the opposition has drawn attention in no uncertain terms to the fact that the unemployment insurance scheme is not working properly. We know the government is concerned about the high cost of the scheme and we realize, too, that there are many people in Canada who are concerned about this aspect. These include, in particular, men and women who keep paying into the fund—for them it is a form of taxation—but who never benefit from unemployment insurance and in fact never use it. They are asking whether it is truly an unemployment insurance program or whether it is really a welfare program in disguise.

We also have before us the latest report of the Economic Council of Canada concerning people and jobs. The main thrust of this report is getting people back to work. There is a lot to be said about the psychological aspect when it comes to getting people to work. The minister in his speech yesterday referred to "frictional and structural causes" as part of the reason for the large number of people in receipt of unemployment insurance benefits. Seasonal unemployment, he said, accounted for only a very small percentage of the total and other factors accounted for a much higher percentage. As far as I can determine, "frictional" implies a clash of will, temperament or opinion. This is one of the aspects dealt with in the report of the Economic Council.

What we are really talking about here is the work ethic. There is a clash of wills and opinions. I do not believe the Prime Minister (Mr. Trudeau) has done anything to help in the last few years by telling the people of Canada, "You really should be doing your own thing." In many instances, and I think this is notable about a lot of young people in Canada, doing their own thing does not mean working.

I like to look at what is happening in British Columbia today. I think one of the bright spots in the new provincial government there is the minister of labour who has come on very strong and told the people on welfare they should pick up a shovel. It did not go over too well to start with, but the result has been that the attitudes of people working today are considerably different. He designated areas where you could not get welfare. In other words, he told the people they had to go to areas where there was work. Whether it was there or not, they had to be there if they wanted to get welfare. It has made a considerable difference in my riding, especially in a lot of those places where we were having trouble with young people getting together in communes. I talked to the people last week about what is happening in those areas now and they said the communes have disappeared, they are just not there. I talked to business people, to processors and people in packing plants, and they say there is an entirely different feeling today on the part of young people about getting to work because they know they have to work, and they are working. The type of thing the Prime Minister has been saying about doing your own thing has done really nothing to foster the work ethic in Canada. May I call it six o'clock?

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Whittaker: Mr. Speaker, at six o'clock I was talking about unemployment insurance and the fact that the government has seen clear to announce amendments to the Unemployment Insurance Act in the budget. I was saying that the Economic Council of Canada report concerning people and jobs had reported that a lot of people were on unemployment insurance for frictional and structural reasons. After what the Prime Minister (Mr. Trudeau) and the government have said, that you do your own thing in Canada and you really don't have to work, it is understandable that the Economic Council should find that there are frictional reasons for people being on unemployment insurance. "Frictional" really means, as far as I can determine, a clash of will, temperaments and opinions. I think if this government wants to convince people that they should work, it should not be speaking in this manner but rather should be telling them that it is a good thing to work, that there are many businesses in Canada that need workers. There are many workers who are willing to go to work but are not working under the shadow of the type of ethic that the Prime Minister advocates, that of do your own thing.

On November 5 we were debating unemployment insurance and I was lucky enough to speak that day. I was talking about the large amount of money that is being spent on unemployment insurance today, almost $4 billion, and about some of the reasons why there was such high unemployment. The member for New Westminster (Mr. Leggatt) in speaking after me twisted, I think, quite a lot of what I said, and argued that I had said that the reason there was a high unemployment insurance cost in Canada was because of abuses. He said "I defy the hon. member to cost the abuses and to tell me what percentage of the deficit is a direct result thereof".

I was very pleased to read in the review of the Economic Council "People and Jobs" that 0.7 per cent of the unemployed are on unemployment insurance today because of the laxity of the program. There are 70,000 people estimated to be on unemployment insurance because of this, and if you cost it into the total cost of the unemployment insurance it would amount to some $350 million. I think that should be proof enough for the hon. member for New Westminster, if he wants to take the time to read that portion and understand really what were talking about at that time.

I do not think that what the government is trying to do in its budget is going to do very much about that portion of the people and the laxity of the program. I think much more will have to be done if it is going to service that area. It has attacked the length of time, requiring a longer length of time for people to qualify for unemployment insurance. I am not sure that is the correct way. The government says it will save $330 million in this manner. If a person is legitimately off work he is suffering, and this is not the area where the attack should take place.

● (2010)

I am certainly pleased to hear that the government is now getting around to wanting to put Manpower and unemployment insurance together again. This is a real necessity, and the emphasis must be placed on Manpower, getting these 70,000 people back in the work force and gainfully employed. Some people may ask where they are going to work. There are lots of jobs if you have people with the right attitude. Much of the work being done in Canada today is not being done on time, is taking longer than it should. This is because people in business will not stand for harassment, and will not allow those people with the wrong attitude to work for them. I think there is quite an area in this regard for people who want to work.

We also know that many mines, not just in the remote areas, but in areas such as my riding, do not have enough people working because people will not go there. Of course they will not go when somebody else tells them they

should be doing their own thing, and when there is a tremendous unemployment insurance and welfare scheme on which they can fall back. All these jobs must be filled, and I think with the right attitude it would not be too hard to fill them.

The minister announced that he is going to have another $100 million for LIP this year. This is good, providing it is spent properly. I hope he has read the review of the Economic Council of Canada, "People and Jobs", in which it is said that the government should enlist provincial governments, local governments, municipalities, and business organizations in order to carry out these programs. Rather than having a program under which the government asks the people what they want, it should co-operate with these various levels of government and business because they know what is needed in the various areas. I entirely agree with this suggestion, and this is what we must do if we are to spend the money and get the job done properly.

We should also spend this money on programs that last a year and longer, rather than just on projects or programs that last a few months, with people going back on unemployment insurance at their conclusion. People in these local areas are aware of the local needs and they will accept the responsibility of seeing that the job is done well.

Nothing at all was said in the budget about agriculture. Probably most hon. members will not remember what was said in the throne speech, because that was delivered in November, 1974, going on two years ago. At one time we had two sessions a year; now we have two years a session. I suggest this is not good because the government tends to forget what it proposed at the beginning.

In that throne speech of November, 1974, the government stressed that there should be incentives for farmers, with stabilization of income and markets. We all know of the demonstration which took place here today. The government should go back and read what it said in 1974. Had it meant what it said then we would not be experiencing the type of demonstration we saw today.

Every farm commodity grown in Canada that I know of has a more distressed price today than in November, 1974, perhaps with the exception of grains, and I am given to understand they are becoming more distressed.

An hon. Member: That's not true.

Mr. Whittaker: Somebody suggests that is not true. I wish he would get up and tell me of an area where it is not true. I would be very glad to hear about it, but I do not think the hon. member can tell me.

The cattle producer is in an even more distressed position than the producers of fruits and vegetables. The fruit and vegetable canning industry is certainly in a distressed position today, particularly in British Columbia. I suggest the reason is that cheap imports are coming into Canada as a result of the cheap food policy of the government. Obviously the government did not mean what it said in the throne speech of November, 1974. It is carrying on with the same type of cheap food policy it had years ago.

If there is someone else in the world who can produce cheaper than in Canada the government suggests we should bring in their products virtually free of any encumbrance. The farmers in my area used to say, and I think this is also accurate today, that Canada is a saint in a world of sinners when it comes to the import-export trade. We put no encumbrances, or very few, on imported farm produce. Other countries in the world put total embargoes on our products when they see fit. They always seem able to find some kind of gimmick or means of putting an embargo on Canadian produce. Canada does not do this.

In this budget we find that the government intends to remove the tariff or reduce it in respect of pork. Every time a farm commodity reaches a position where our farmers are able to make a little bit of money the government reduces the tariff, allowing imports to come in, knocking the heck out of our farmers. The government has done this before and is doing it again. Pork is a product on which the producers are able to make a few dollars today. Now the government is taking the tariff off.

Let us just take the example of canned products being imported. There is a flood of cheap canned products coming into western Canada today. As a result the producers there still have last year's stocks on hand. The farmers want to produce, and the government suggests that production should be up in Canada. But the farmers cannot produce because there are no cans to be filled, and those that were filled last year are still sitting on the shelves. This is a result of the importation of cheap canned products. The farmers are wondering why they are not getting contracts from the producers. They are not getting them because the warehouses are filled with last year's products.

Some hon. Members: Oh, oh!

Mr. Whittaker: If the Parliamentary Secretary to the Minister of Agriculture (Mr. Pelletier) does not believe me, let me read him a letter I received from a cannery yesterday.

Mr. Guay (St. Boniface): Read it; you can't even read.

Mr. Whittaker: This letter is from Mrs. D. L. Milne Cannery Ltd.

An hon. Member: Don't judge everybody by yourself, Joe.

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Turner): Order, please. The hon. member for Okanagan Boundary (Mr. Whittaker) has the floor.

Mr. Whittaker: I do not like to be continually complaining about the government whip, but every time I get up to speak it seems he talks about me reading. I notice he is never here to see his own members reading their speeches, so he does not know when they get up and read.

● (2020)

Mr. Guay (St. Boniface): On a point of order, Mr. Speaker, may I say that, if the hon. member would like to know, I have never missed a day since the opening of the House last fall. I could bring the record I have to show how many days he has missed. I have the record which shows how many days he has and has not been in this House.

The Acting Speaker (Mr. Turner): Order, please. That is not a point of order; it is a point of debate.

Mr. Whittaker: Mr. Speaker, I am sorry we had that digression because it has shown that even though the hon. member makes a lot of noise he really has a thin skin.

The Acting Speaker (Mr. Turner): Order. I suggest that we all settle down.

Mr. Whittaker: This letter is from Mrs. D. L. Milne Cannery Limited. It states:

> As the government has stock piles of various foods for Acts of God (i.e. powdered milk), could the idea be engendered to use pears, packed in No. 10 cans, 100 oz. of fruit and liquid sugar.
>
> The 1976 pear crop is going to be large and the canners pack will be small due to foreign dumping. I am suggesting that each canner be allotted a quota of this surplus product and the government show originality in having such a useful and nutritional product with long keeping quality, available for distribution (the rats cannot eat this).

This year the pear producers will be very hard pressed because they still have on hand their stocks of the canning crop from last year.

We hear about the tariff being removed from pork. This is taking place at a time when pork producers are making a little more money. We also note that the tariff is being removed from bananas. Bananas are in direct competition with the fruits and vegetables grown in Canada. Bananas are grown in a country where there is cheap labour. They flood the Canadian market, and now we note that those who ship them into Canada are to have an advantage. Many manufacturers in Canada are in exactly the same position. As soon as they establish a good business in which they can show a profit the government reduces the tariff, and consequently imports into Canada do much to inhibit their business. Therefore these manufacturers lose the incentive to increase their business. There are many such examples in Canada of businesses which are having difficulty in competing with imports. The government is doing absolutely nothing to help these businesses.

Then there is the matter of transportation. Transportation costs are much higher here than in the United States, and we have difficulty competing in this area. I do not see anything in the budget to relieve this situation. I do not see the Minister of Transport (Mr. Lang) doing anything about this. It is very difficult for farmers and manufacturers in Canada to compete with the competition from outside Canada.

Although we have been told there is to be a cut in government spending we find that government spending is higher. Many people believe that a large part of the inflation in Canada is caused by government spending. In the *Globe and Mail* of March 11, 1976, there is a story about how the President of the Treasury Board (Mr. Chrétien) got the ministers of various departments to cut their budgets. He said he did it by gimmicks and tactics. He added that if the ministers did not subscribe to what he was asking, he would take the matter to cabinet. I think that is a good story. However, when we look at the situation we find that budgets have not been cut. We find that we are spending more in Canada. I think the minister should have gone to cabinet if he wants to cut the budgets of the various departments, because people are saying that the spending of the government is the cause of much of the inflation in Canada today.

The Employers' Council of British Columbia in its review of the budget said it is too bad that the government has not developed a more realistic level for the Canadian dollar, and new job creation through the encouragement of investment. The Canadian dollar is high in relation to what it really should be, especially if the government would cut back on its spending. A high Canadian dollar favours imports into Canada rather than exports from Canada. This is really an exporting nation. The government should be doing everything it can to make sure that we are able to export.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member but his allotted time has expired. He may continue with the unanimous consent of the House. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

Mr. Whittaker: Thank you very much. I shall try to be as brief as I can. Our trade deficit is very high. We should be taking action to ensure that the Canadian dollar favours exports rather than imports into Canada. In the budget our deficit is reported to be $3.3 billion, but really when all the needs of the governments and its borrowings are tallied up one can see that it is really $4.5 billion. Because of this interest rates are high, and the dollar is at a high level. This dampens the export trade.

We hear much talk about energy. A high tax has been placed on large cars and air conditioners. This is very good. A manufacturer in my area who manufactures wood-burning stoves made a submission to the Minister of Finance that the excise tax be removed from wood-burning stoves. There is no excise tax on oil burners or gas burners of any kind, but there is a tax on wood-burning stoves. Wood in Canada is a renewable resource. I would have thought this tax would have been removed, especially since the minister wrote me a letter in which he said:

> In the event that the sales tax relief you seek can only be provided through an amendment to the Excise Tax Act regulations, please be assured that your representation will be reviewed when amendments to these regulations are next under consideration.

I was very disappointed that there was nothing to this effect in the budget. Mr. Speaker, I could go on and on but I am very grateful that I was granted extended time.

● (2030)

The Acting Speaker (Mr. Turner): The hon. Minister of Labour (Mr. Munro).

Mr. Paproski: We have the heavies tonight.

Hon. John C. Munro (Minister of Labour): That, coming from another one, Mr. Speaker!

I am glad to have the opportunity to bring out a few facts in this debate in support of the budget presented by my colleague, the Minister of Finance (Mr. Macdonald). I think there are a few aspects of this budget, when seen in context of our wage and price control program and other elements of economic policy which show that these policies

have worked very much to the benefit of organized and unorganized workers.

I think it is well to keep in mind that some people have alleged that the organized and unorganized worker has not been receiving—certainly in the last months—an adequate share of the gross national product. Statistics show that this is a fallacy; in fact labour's share under this government has not only been maintained in terms of its percentage share of the Gross National Product but also in terms of national income. Since the inception of the controls it has actually gone up in current dollars without the inflationary factor taken out, and incomes have gone up in real terms once the inflationary factor has been taken out. If this is true, then some of the statements that are being made throughout the country to the effect that it is the policy of the government, or it is the end result of a wage and price control system and of this budget, to cut down the organized workers' percentage share of the gross national product in relation to incomes, are fallacious.

All hon. members should be aware of the statistics that back up this argument. I do not believe it is in the interests of any hon. member, irrespective of his or her political persuasion, to perpetrate what are erroneous impressions and, although perhaps not intentionally, to deceive the Canadian public about the situation. Before I go into some of these statistics, Mr. Speaker, I think it would be wise to take into account some of the background factors that I am sure were in the mind of the Minister of Finance, and indeed in all our minds when we brought in this budget.

We recognized one central thing, that the crucial national need was to gear down the rate of inflation without impeding economic recovery. This was the way to ensure job security and, in the long run, to combat unemployment. In an uncontrolled inflationary situation there can be no assurance of job security or that any policies will work to cut down an unacceptably high rate of unemployment.

Let me enumerate some of these factors, Mr. Speaker. First, there is no doubt that what we faced as a government, and what all of us faced as parliamentarians, was the unease last October when this program was introduced. The trade union movement and the union leadership felt their position was untenable. The leadership was vulnerable because it had led the membership into long term agreements—some for two or three years. The membership were coming out of those agreements to find that they had fallen behind the rate of inflation. They had endeavoured to anticipate it when they entered into agreements but it turned out to be higher than anticipated, and so the leadership was exposed for having led membership into agreements through which they had fallen behind.

I think it would be a natural thing for the union leadership—and if I were a union leader I would have done the same thing—to predict for 1976 and 1977 the very worst rate of inflation, and then endeavour to build in protection against it in the collective agreements. Of course that can be a self-fulfilling prophecy. If you have to predict the worst and protect against it, inevitably the worst will occur.

The stability of the union leadership, to say nothing about the real earnings of the workers, was very fragile, and this had to be corrected. Our economic policies, including the budget and restraint program, were designed to restore the needed stability to workers and their leaders.

The second factor is also apparent,and I think the budget takes it into account as does the wage and price controls program, and that is the plight of the unorganized worker. Organized workers have their spokesmen, and some very effective ones at that, but unorganized workers are often on fixed incomes, or on incomes that do not keep up with the rate of inflation because they do not have spokesmen. They were some of the prime victims of a destructive inflationary process.

I think the third factor in the back of our minds when we not only brought in the restraint program but brought in a neutral budget in terms of the economic stabilizer, was that we recognized that the budget is just one element—it is complementary to the wage and price control scheme and reflects on the other elements that go into an anti-inflationary program. I do not have to repeat what the other elements are; the Minister of Finance has dealt with them. They include fiscal and monetary policies, governmental expenditure policies, and structural policies.

The fourth factor that formed part of the background when we decided upon our economic policies was the fact that we must protect the real earnings of the workers, both organized and unorganized. That is what I referred to in a preliminary way in my opening remarks. I think it would be well to note that when we brought in the restraint program, labour's share of the gross national product was at its peak. There has been some suggestion that this scheme was anti-labour in the sense that it was designed to cut down labour's share, or that it was brought in at the low point in the cycle and thus they were cut down while other elements were allowed to expand. That led to some of the mythology that this program was primarily visited upon the backs of the workers.

The facts from Statistics Canada with respect to the workers' share of the Gross National Product—this is a distribution of national income in the context of percentage of Gross National Product—show that in 1975 when we brought in the control program the workers' share in terms of incomes was 56 per cent of the Gross National Product. In 1974 it was 53.9 per cent. In 1973 it was 53.9 per cent. In 1972 it was 55.1 per cent—still lower than the 56 per cent in 1975 when we brought in the program. In 1970 it was 54.5 per cent. If you trace labour's share of the Gross National Product from 1962 to 1975 you will see that we brought in the program when labour's share was at its peak in terms of a percentage of the Gross National Product. This means that the program was not brought in at a low point, in terms of the statistics, of labour's share, but at the high point, and if that share is going up it stands to reason that somebody else is de-escalating.

● (2040)

Indeed, if one wants to look at the profit statistics during that year, 1975, when we brought in the program, profits were 11.5 per cent of the Gross National Product. In 1974 they were 13 per cent. What this points out is that the program was brought in when labour was receiving a high share and profits were declining.

If we start from there, I think it is useful to note just what happened since that time under the controls program.

I think it can be pointed out that instead of workers being cut back in terms of real earnings after taking the inflationary factor out, their share has been going up quite substantially. In other words, the inflationary process has no longer been eroding their purchasing power. Under the restraint program they are getting tangible gains in terms of real disposable income. However, before getting into that, I would like to indicate again the fact that labour was at its highest plateau when we brought in this program.

If one wants to look at a history of what has happened when we talk about labour's share of national income from 1975 to 1976, we brought this program in when labour's share of the national income was 73 per cent. In 1974 it was 71.6 per cent. In 1973 it was 71.7 per cent, so in the last three years it was at some of its highest levels. I might just point out that in 1960 it was hovering around 69 per cent. In 1964 it was 69 per cent. Back in 1946 it was 62 per cent. We brought in this program in 1975 when labour's share was 73 per cent.

An hon. Member: That's too high.

Mr. Munro (Hamilton East): That gives some indication of the fallacy of what some people would lead us to believe.

I think some other statistics are interesting. Again I am referring to measures of real earnings on a quarterly basis to indicate just how well the workers have done in terms of the effectiveness of some of the economic policies of the government. Let us look at 1975. In the first quarter workers' real earnings had gone up 2.5 per cent. In the second quarter they went up 3.8 per cent. In the third quarter they went up 2.5 per cent, and then in the quarter in which the program began in terms of real earnings the workers' share had gone up 3.2 per cent. This is average real earnings with the inflationary factor taken out.

I think I mentioned the first quarter of 1976. That is the quarter after the anti-inflationary program came into effect, and the workers' real earnings were up 3.6 per cent. Recent statistics I looked at as late as this afternoon indicated that in the month of March over the previous month, which was 3.6 per cent, the rise was 4.1 per cent in real terms after the inflation factor was taken out. Surely this spells out something, and if we take this in the context of the settlements which are now being arrived at since the program came in, the workers have never been in a better position, from an economic point of view, that they are at present under the economic policies of the government.

Some hon. Members: Hear, hear!

Mr. Munro (Hamilton East): The average settlements being approved by the Anti-Inflation Board are in the area of approximately 1 per cent against the arithmetic guidelines, and this is because of the historical relationship factors and the special consideration factors which were taken into account, certainly during the early months of the program, and still are. So let us say we are running roughly around 13 per cent, with a majority of the collective agreements being entered into by the parties falling below that. However, in percentage terms, let us say 13 per cent. Yet the inflationary rate this last April as compared with the previous April is now down to 8.9 per cent.

If the inflationary rate is down to 8.9 per cent, and the workers and salary and wage earners of this country are currently receiving roughly 13 per cent, is it any wonder that in terms of real disposable income after the inflation factor is taken out they now have a purchasing power 4.1 per cent higher than they had before? That is one of the most marked increases at any time since 1971 on a quarterly basis.

When some of my friends—and they are my friends—in the labour movement argue that the budget, in terms of it being a stabilizer with its primary aim to cut down the inflationary process, and that the controls program are somehow designed to limit labour's share or cut it back, statistics at the time we brought in the program and the statistics currently coming out would indicate exactly the contrary.

Mr. Peters: They don't believe that.

Mr. Munro (Hamilton East): I believe that this is the real basis. I have the statistics. My hon. friend says they do not believe this. These are statistics the CLC uses, and I am using them to inform my colleagues in the House. Labour has its economists, too. If they wish to argue with them, I would welcome that. I would welcome a detailed examination of this on their part because I think they would then have the intellectual honesty to perpetuate no longer what is fundamentally a falsehood in terms of what this program is doing for real incomes for the organized and unorganized workers of this country.

Some hon. Members: Hear, hear!

Mr. Munro (Hamilton East): I think that this is the basis upon which some of us on this side of the House would claim that a majority of the workers of this country are prepared to go along with this program. They saw what happened to the purchasing power of their dollar under the inflationary process prior to the introduction of wage and price controls, and they saw what would happen in the inflationary process if our budgetary measures—not as introduced by my colleague, the Minister of Finance—fueled the flame of inflation. That would cut down drastically their purchasing power in real terms, which for many of them had been their very unhappy experience in the first few years of the 1970's. Now the workers are receiving one of the most marked increases in real earnings since the program was brought in.

Some hon. Members: Hear, hear!

Mr. Munro (Hamilton East): I think this is one of the bases upon which we can legitimately count for a majority of workers getting behind this program, or at least going along with it. This is not to suggest for one minute that if the organized labour leadership in this country, which is highly regarded, for some reasons wishes to ignore the statistics and tries to arouse its members into some type of general strike for a day as a political weapon, the organized workers are going to humiliate their leaders by leaving them exposed and not backing them to a certain degree. I think there is a sufficient feeling of solidarity in the labour movement so that perhaps for a day this could happen, or partially happen. I do not think even they would expect 100 per cent adherence. The labour move-

ment of this country is not more monolithic than any other organization; and in view of statistics showing real gains for the workers of this country I believe they will have some difficulty.

● (2050)

I also believe that it would not be in the interests of the labour movement, its leadership, membership, or in the interest of the country to embark on that process of confrontation which would alienate various elements of the Canadian community from the labour movement, that movement which has contributed so much to the economic well-being of this country.

Mr. Peters: Yes, but you are only controlling labour's wages. Who else is being controlled?

An hon. Member: You can make your speech later on.

Mr. Munro (Hamilton East): In conclusion, if the Canadian labour movement meet with us around the middle of June, and I have indicated they are willing to do this, we can assure them that it is not the government's policy to decrease or cut back on labour's share either of the Gross National Product or national income. If they can be so convinced on the basis of the statistics I have put before the House, and we can show them that under this program, in real terms, workers' wages and salaries have gone up, perhaps they can be convinced that it is indeed the government's policy to protect in real terms the wages of all workers in this country.

If we could so lay a solid basis for co-operation we could set up the sort of mechanisms to which my colleague, the Minister of Finance, referred in the budget—structural mechanisms for consultation. This idea was the highlight of the Quebec manifesto of the CLC. It suggested how labour could participate with the government in the economic and social policy formation which will evolve during the post-control period. It seems to me that that was a most significant position for the Canadian labour movement to adopt. Mr. Speaker, they want to be involved; they want to be consulted; they want assurance that the government will respond, and that there will be an ongoing basis for such consultation. This may mean that in future we shall see less of the element of confrontation, less of the adversary approach in relations between labour and the government of the day.

Considering this program's record of protecting the organized and unorganized workers, I think it can lay the solid base for ensuring that in future labour's share of our income in real terms does not decrease but continues to increase, and that labour will get its share of the rewards of productivity as this country prospers.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, when I listened to the budget speech I tried to ascertain the real purpose of the budget. Did the minister try to plot a course for this country to follow? Was he trying to plot a course for the Liberal party? What was the purpose of the budget? As I sat here, listening to the minister make his speech on budget night, I could not help thinking that he was talking to himself. He read a long speech very quickly, mainly to himself. The minister was a changed man, not the man we used to know. When he was Minister of Energy, Mines and Resources, he stuck out his chin, gave the facts, and told Canadians what he thought was good for them and the country. On budget night he was a changed man, talking only to himself, as if conscious that in his first budget address he had little to say to the country, and still less to give it. All this was clear to me on budget night, and is evident if one studies the budget.

A budget has a purpose, Mr. Speaker. It should provide direction to those things the government thinks important. And what does the government think is important? To what does it wish to direct the people's attention?

As I look at the world and consider Canada's role in the world, two things strike me. First, the world is greatly concerned about energy supplies and energy costs. As well, the world is greatly concerned about food supplies. We must ask are we capable of providing food for the underdeveloped people of the world? In addition Canada and the United States are greatly concerned about balance of payments difficulties. The budget address dealt not at all with the question of food supplies, dealt not at all with our agricultural industry and our capability of providing food for ourselves and other peoples of the world not as fortunate as we are, and dealt inadequately with the question of energy. We were told about the 100 per cent write-off provision designed to encourage companies to explore for minerals, oil, and gas. Really, that is a small measure for dealing with the over-all energy picture.

Most Canadians ask themselves this question: will lack of reasonably priced energy supplies limit our growth potential in the years ahead? The minister did not deal with that. He spoke of the high cost of energy, but did not go beyond that. He did not put forward solutions to our problem. He may have hinted at the existence of the problem but did not say how it should be solved. Most Canadians who are prepared to look down the road wonder if the high cost of energy will in future prevent our enjoying our present high standard of living. The minister did not deal with that question, and did not answer it. As I say, he hinted at the existence of the problem, suggested we are concerned about the rate at which we consume energy, suggested somewhat simplified solutions, but did not deal in detail with the problem.

He suggested that our productivity is slightly lower than that of the United States, that we were capable of catching up, that the American economy was doing very well and would bail us out. To met it was a shallow budget. Many newspapers have described it as a dead, a dull budget. The May 29 edition of the *Financial Post* said that this is an inadequate budget:

> ... especially since the federal government is expecting a huge 26 per cent increase in its personal income tax take during the current fiscal year? After all, there is nothing in the budget which would give unemployment a whisker of a chance of coming down.

Mr. Trudel: What is the hon. member quoting?

Mr. Horner: I quoted an article in the *Financial Post*, to enlighten hon. members opposite and the hon. member who just interrupted, and to substantiate what I said about the budget. I feel that it will do absolutely nothing to decrease unemployment in Canada, already running at the rate of 7.4 per cent.

● (2100)

In his column, which appears in many papers, Douglas Fisher castigated the Minister of Finance (Mr. Macdonald) for his budget. He said that Ottawa awaits with rising hope the American recovery becoming a boom. He further stated that the minister did not attempt to deal with the economic problems in Canada. I agree.

The minister suggested lengthening the qualifying period before a worker can collect unemployment insurance from eight to 12 weeks. The government has the habit of doing one thing, causing a great deal of concern, then patching it up by undoing what it should not have done in the first place. That is certainly true in this instance.

As one writer stated, one will go off Ottawa's pogey and on to the local dole. That may well be the case in many of the high unemployment areas. The minister certainly did not attempt to deal with the fiscal disparity that exists within various regions of Canada.

In the past year the government has added to a high cost economy. One need only look at the legislation dealt with in this House during this lengthy session which has lasted almost two years. Nearly every piece of legislation has contributed to growth in the civil service.

When looking at the figures I was astonished to see that the staff in the Post Office has grown by 15,000 in the past few years. I used to think that part of the problem creating the unrest in that department was the fact that automation would cost a lot of workers their jobs. That certainly has not been the case. Automation must have been completely stopped in the Post Office. It certainly has not contributed to any greater efficiency; many Canadians will attest to that. We do not have a situation where the government has been hiring less people.

The minister suggested the concept of again bringing together unemployment insurance and the employment department. There is an article in the *Globe and Mail* about this. The government separated these two departments a few years ago. Now that it is bringing them together again, we are expected to hail it as the great saviour. The Unemployment Insurance Commission will be grouped with the employment department. The word "unemployment" will be dropped completely. However, the government is only uniting what it divided.

What happened after the division? There was a tremendous growth in the civil service. In one department there were 10,000 civil servants, and 11,000 in the other. By again bringing them together there will be a duplication of services. According to an article in the *Globe and Mail* and reprinted in the Calgary *Albertan*, the Minister of Manpower and Immigration (Mr. Andras) said that there will be a duplication of much of the work. Can we expect a reduction in the number of civil servants as a result of grouping these departments? One official says that we can only look for a no-growth situation.

If we analyse the problem of inflation we see that the cause is excessive government spending. At the time of the last budget the government budgeted for a $1.5 billion deficit. It had a $5 billion deficit. It is now budgeting for a $4.5 billion deficit, saying that is less than we had in the last year. However, this is greatly above what it budgeted in its last budget. If its current prediction is as far out, we are apt to have a $10 billion deficit. How do I reach that quick conclusion? For one thing there is no mention in the budget of the social changes which the Minister of National Health and Welfare (Mr. Lalonde) talked about with his provincial counterparts this past week. There is no mention of that $375 million expenditure.

There are many omissions with regard to expenditures that the government fully intends to make within the next year. The budget is only a guide for government expenditures. The Minister of Finance deliberately omitted many known expenditures that the government will incur during the next year. The social program under the Minister of National Health and Welfare is just one example that comes to mind. Expenditures in the field of transportation are another. There are many more that will crop up and, therefore, the budgetary deficit suggested will be completely erroneous.

The minister stated that we must attempt to become energy self-sufficient. The Minister of Energy, Mines and Resources (Mr. Gillespie) spoke of that this afternoon. The budget dealt with three matters with regard to energy. It eased the clamp on dividends, allowing dividends to be paid as high as 8 per cent. At the same time it limited profits to 85 per cent of the base period. Therefore there will not be many companies able to pay dividends of more than 8 per cent. The limit on dividends should not have been set in the first place. This is an old habit of government ministers—creating a problem, solving it, and then expecting the Canadian public to hail them as great saviours. All they do is save themselves from their past actions.

The minister stated Canadians can look forward to a period in the future when interest rates will come down. He alluded to this several places in the budget. However, he did not state how or why they could come down other than to say that the American economy was picking up and we can take heart from that.

In the budget address the minister also stated that if you use your spare money to drill your own gas or oil well, or dig your own mine, you can write off 100 per cent of the exploration costs. That is supposed to be a bonus or gift to the oil companies and those provinces that have energy resources. It might also be a boon to those provinces which have potential in the mining industry. The minister mentioned exploration costs, but not development costs. Speaking for the oil and gas industry, that action is about 25 years too late. Had it been done 25 years ago many Canadians would have gotten into the oil industry to a much greater degree.

● (2110)

Another feature in the budget worthy of comment is the clause allowing Petro-Canada to pick up 25 per cent of the land in northern Canada in an attempt to Canadianize the oil industry. Why did the government not make that concession available to all Canadian oil companies, not only to the national oil company but to groups of Canadians willing to form a company and take part in exploration and development? To my mind the big question in the minds of Canadians who are concerned about this subject is: how extensive are the reserves in the north? The minister made reference to the need for more accurate reporting. The government is to demand more accurate information

from the oil companies. The suggestion, I suppose, is that exaggerated claims have been made with respect to reserves or that there are reserves which have been found but not reported.

I listened to the Minister of Energy, Mines and Resources this afternoon and noted that he failed to deal in any way with the issue of the Mackenzie gas pipeline. Does the government want this pipeline? Two years ago the present Minister of Finance said it did—that it wanted the pipeline but was anxious to go about it in the right way. Now the dilemma is compounded by the necessity of considering a number of alternatives. There is the Polar gas route; the Arctic gas consortium wants to build a pipeline and we find a consortium which proposes to build through the Yukon and then branch into oil lines already existing in Alberta. I see that Foothills Gas is applying for a licence also. But nowhere in the budget did the government attempt to provide any degree of security for these operations, or any certainty as to the manner in which it proposed to go about settling native land claims in the region so that work might proceed and much needed resources might be brought on stream perhaps by the year 1982.

It is all well and good to talk about the energy crisis with which Canada might well be confronted in the years to come, but it is evident that the government is prepared to do very little about it other than attempt to bring greater Canadian content into the oil industry. I wish to deal with that aspect, too.

If we are faced in this country with a severe balance of payments problem and if we, in effect, import money from abroad to maintain our growth rate and the value of our dollar, we are virtually selling off a little bit of Canada each year. That is exactly what happened last year. The balance of payments went against us by some $5 billion. Foreign capital was enticed into Canada by high interest rates and it bought a little more of Canada in the process.

The government has got to set its house in order. It must reduce its expenditures. In his budget speech the minister sought to reassure us that he would try to keep federal expenditure in line with the growth in the Gross National Product. As far as I am concerned his assurances are not good enough. I saw little in the budget to convince me he was deeply concerned about the energy question. He told the House that in order to take the economy in hand he would give the Anti-Inflation Board more power by allowing the use of a different accounting system based on actual profits, something which would make it much easier for the Board to control the economy. To my mind, when I look at the economies of the six major countries in the OECD and compare what is happening there with what is happening in Canada, it becomes evident that we did not need an Anti-Inflation Board in any case.

The problem was caused mainly by the government's inept handling of the economy, and in particular by its too rapid acceleration of the money supply. It attempted to blame the unions and union demands for higher wages, but prior to last October the biggest culprits in the area of wage settlements were the public service unions, not the private sector. The public servants gained from the government larger settlements before October, 1975, than did the private sector. They were ahead by several percentage points. The government across the way created this problem and then brought in the Anti-inflation Board in an attempt to solve it. We, in turn, are supposed to hail them as some kind of saviour. Well, there is an interesting quotation in the current issue of *Business Week* dealing with inflation prospects:

> After a period of high inflation the inevitable result is an abortive effort to impose price controls and an eventual collapse into a managed economy.

I suggest this is what we are getting into now. We are passing through a period of control following the government's careless handling of the economy. We are passing through that stage and moving into a wholly managed economy. How much better off shall we be as Canadians? I suggest we shall all be worse off because the government consistently fails to recognize the basic needs of our society.

It is all very well for the Minister of Energy to say, as he did this afternoon, that he is putting forward an energy strategy, and outlining the use of energy in Canada and in the Western world over the past number of years. In the 70 years before the war the demand for energy in all forms grew at a rate of 3.2 per cent a year. Since the war our energy demand has grown at the rate of about 5 per cent. The minister of energy says we have to get this down to 2 per cent. How does he suggest we do so?

The Minister of Finance in his budget thought we should all get wind chargers and rely on the wind. Well, Mr. Speaker, prairie farmers know all about wind chargers. Many a prairie farmer has climbed them often and found great difficulty in storing energy in the batteries provided. Whether the government sponsors the building of huge wind chargers or not, I question whether any significant saving of energy would be realized; I suppose the minister was putting forward that idea with half a smile on his face. Storage of solar energy presents a similar problem.

The minister did not indicate how many millions of dollars the government was prepared to put into research in the area of wind energy or solar energy. He did say, though, that a tax of $100 would be placed on air conditioners because air conditioners in automobiles used up more gas. He thought the tax would discourage the use of such air conditioners. Mr. Speaker, it will not discourage the use of one air conditioner in one automobile. It is nothing but an added tax on those who feel that they need, or can afford, an air conditioner.

The same applies to the tax on heavier automobiles. It will not discourage to any noticeable extent the use of heavier automobiles, particularly in the part of the country from which I come. Before the minister gets that statement wrong, let me make it abundantly clear that on many of our rural roads in Canada heavier automobiles are sought by many people, since with a higher clearance they stand up to the bumps and rough gravel much better than some of the smaller cars. The minister is really placing a tax on the people who want to drive heavier automobiles. This is a tax that will reap his department an additional $35 million; it is really an added tax. This tax will fall mostly upon the members of the agricultural industry, who use rural roads and I suppose feel they need a heavier car.

● (2120)

Getting back to the subject of energy, at no place in his budget is there any encouragement for the use of coal to a greater extent. The minister of energy this afternoon also made no mention of this. Nova Scotia, for example, derives all its electricity from oil-driven generators. I do not blame Nova Scotia for this because at one time oil was a pretty cheap commodity; in fact it was so for about 40 years. Did the minister outline in his budget some of the dangers of this state of affairs continuing? Did he mention how much coal Canada has? Did he allow for a bonus if the maritimes switched to coal-driven generators? No, Mr. Speaker, the budget makes no mention of that.

It is interesting to note how much coal was used in days gone by. Up until 1940 70 per cent of the world's energy was generated by the use of coal. Today the world uses twice as much energy derived from oil and gas. I think in the long term the situation must be reversed; more and more must we make greater use of coal.

How does Canada stack up against the rest of the world in economic matters? I see Your Honour is about ready to rise, so let me conclude my remarks briefly by saying that four of the six major countries that are members of the OECD are doing better than Canada, namely, the United States, Germany, Japan, and France. All of this is being accomplished without any use being made of an anti-inflation board or the kind of rigid controls that the government has imposed upon Canadians as a result of its own carelessness in the last two years.

[*Translation*]

Mr. Irénée Pelletier (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, during the budget debate last spring, my remarks dealt almost exclusively with the textile problems in Canada and on looking them over, I find great progress has been made since then.

I had then suggested three methods likely, it seemed to me, to improve the textile situation. Firstly, that the Textile and Clothing Board's recommendations, following an investigation in a textile sector where it is proven beyond any doubt that the Canadian textile industry has been injured, should be accepted as such by the Canadian government. Secondly, that the Textile and Clothing Board become a permanent board. Thirdly, that we decide once and for all the share of the Canadian market for the Canadian textile producers.

In conclusion, Mr. Speaker, I had hoped that if we were to realize those three means of action I had detailed, there could be a tripartite meeting with government, management and labour to examine in depth the issue of the textile and clothing industry in Canada, with a view to developing a common objective and in the shortest possible time a real national textile policy in Canada.

Perhaps it is not necessarily because of this speech that, twelve months later, it was considered important to proceed with that suggestion. Nevertheless more than a month ago the Canadian government decided, to establish a committee to examine the textile situation in Canada and submit recommendations before the end of this month to the Minister of Industry, Trade and Commerce prior to the development of a Canadian textile policy.

I want to congratulate the minister for having taken that initiative and having, somehow answered the wishes expressed repeateadly by the textile workers, that is, specifically, that the government should adopt a truly Canadian policy in that area to spare the textile workers the continuous uncertainties that have existed for so many years.

The problems brought up in last year's discussions are exactly the same this year. And the solutions proposed at that time still seem to be applicable, as far as I can see. Since the textile policy was announced in 1970, we have been under the impression that the recommendations of the then minister were not implemented and that no real progress has been made.

How is it, Mr. Speaker, that every now and then we have to come back to Parliament to remind people that all is not well in that area, that the Textile and Clothing Board has produced still another report, adding to the scores of reports already published and that, in the final analysis, most of these studies and recommendations, whether they are implemented or not, have done little to remedy the situation in this industry?

When I am told that steps are being taken to cope with some of the difficulties, when in fact every year the number of jobs is decreasing and competition is stiff from abroad, and not only from under-developed countries but from the United States, I wonder whether those people who handle textiles in the Department of Industry, Trade and Commerce really and truly want to help that industry progress.

I appreciate the announcement made by the minister a few weeks ago, specifically, that a special committee was being set up to look into the situation in the Canadian textile industry. A quick survey of the last six years reveal that good intentions were very ably expressed on several occasions but that, actually, the industry perhaps does not even fare as well as it did a few years ago. We are justified to reserve our judgment on the final brief which should be tabled within thirty days or so. It certainly is the responsibility of the Minister of Industry, Trade and Commerce (Mr. Jamieson) to determine what kind of textile policy we should have in Canada, and this must be done in cooperation with Canadian manufacturers, textile workers, importers, exporters and the government.

● (2130)

Without the participation of all these people, it is very possible that the new Canadian textile policy will not reflect the real situation of that manufacturing sector. In the last year, in several parts of Canada and particularly of Quebec, many unions have studied the domestic situation very seriously. I have had the opportunity many times to meet textile workers during seminars and study sessions in the constituency I have the honour to represent in this House. Each time, I met workers who are aware of the problem caused very often by imports on the domestic market.

Very recently, the Centrale des syndicats démocratiques produced an in-depth study on the textile industry in Canada, which affects more than 200,000 workers, more than half of them being in Quebec. The area of the Eastern Townships is dominated to a very large extent by the

textile industry and the economic health of this area still depends on the vitality of the textile industry. Now, it is very easy to have a fairly precise idea of the economy in the Eastern Townships when we see that the textile industry has been affected for several years by a very ill-defined policy in relation with the importation of foreign textiles on the domestic market.

On several occasions, over the years, I had the privilege of meeting the textile workers and each time, they told me about the enormous difficulties they have in this industry, and they have always tried to make us aware of the problems they face, not only myself but all those who have a responsibility to act at any level, whether at the public level, at the level of civil servants or at the level of legislators.

The excellent paper recently prepared by the CSD on the difficulties in the Canadian textile industry, in which they make a final attempt, was brought to the attention of legislators and the general public. A large effort was made, Mr. Speaker, to make the government concerned about the real causes of the difficulties and problems facing the textile industry in Quebec, mostly in the Eastern Townships.

The government would do better considering in a positive way the findings of the paper made public a few weeks ago already by the Centrale des syndicats démocratiques which deals rather thoroughly with all aspects of the problem we are faced with in this extremely important domestic industry. Several short term solutions are proposed in this paper, but long term alternatives are also taken into consideration. It is interesting to note that the suggestions made last year in the House reappear in one form or another in the recommendations which followed certain studies made across the country, especially in Quebec, on the way to improve the conditions of workers in the Canadian textile industry.

Obviously we must find a long term global strategy for this industry, I mean a development strategy which would enable the Canadian textile industry to become really competition-oriented. This industry has never been given the opportunity to become competitive and stand up to foreign goods.

As I have said previously, the Eastern Townships are dominated by the textile industry. In fact over 20 per cent of all industrial jobs in Quebec depend directly or indirectly upon it. In the Eastern Townships, this ratio is even higher in some cases and reach over 50 per cent. We should be concerned about the future of these areas where this sector employs such a large proportion of workers if we consider that the textile industry in general has not during the last few years grown according to the expectations of the early 70's.

One must add, in the same breath, that in 1970 the textile industry was given a certain direction which was a few years later sort of put aside by an importation policy obviously contrary to the bills passed by Parliament. Some time ago, we tried to change the textile industry into a consistent and dynamic industry so that it could eventually compete, but when one realizes the present conditions of this industry, and the lack of encouragement from government policies, one feels that it would be catastrophic at this time to allow exchange liberalization in this industry.

[Mr. Pelletier.]

If we do not protect the textile industry against foreign competition, we might well find, within a few years, an industry almost dead or so weak that it would not be able to outlive any effect of competition. For now, we must absolutely forget about exchange liberalization because this industry itself has no defence. On equal terms, it would be fair if the textile industry could compete on the international level, but as it is in an unfavourable position to begin with, it is cruel and unfair not to give the appropriate tools to an industry which we want prosperous and dynamic.

Some officials are reported to have been entrusted a few months ago by a cabinet committee with a complete review of the Canadian textile policy. Over a month ago, a Senate committee was conducting a study on the textile situation in Canada. More recently, about a month ago, a committee was set up to look into the whole Canadian textile industry and to report before June 30. The terms of reference of the special advisory committee appointed by the Minister of Industry, Trade and Commerce, whose report is to be submitted by June 30, was instructed to look into the present conditions, the outlook and the trade position of the textile and clothing industry, to review the policy with regard to competitive imports, and also to consider the opportunity, under the present legislation and instruments, of implementing a policy with regards to paragraphs 3 and 4 of the 19th GATT agreement, and to report its conclusions and recommendations to the Minister of Industry, Trade and Commerce by June 30, 1976.

I hope, Mr. Speaker, that all the reports of those committees, commissions and task forces which will be submitted very shortly, will not remain a dead letter. We should not once again give glimmers of hope to textile workers and union members. People do not always live on glimmers of hope, and for so many years, that is what has been happening in this area. It is also time that someone answered some stupid comments made recently by two Canadian high officials who admitted in rather clear terms that the textile industry should eventually disappear or be considerably reduced in Canada.

Mr. Raynauld, president of the Economic Council of Canada and Mr. Joe Morris, president of the largest labour congress in Canada made those comments without really knowing the problem. The day when we no longer have a textile industry in this country, we will no longer have a viable industry in Canada. We will then have to pay a lot more for our clothing than we do at present.

The Canadian textile industry has a tremendous potential if it is allowed to develop as it can. Salaries have increased and even though they do not compare with those paid in other sectors, they are nevertheless interesting. There is also another matter I would like to raise briefly, and it has to do with the labelling and the enormous frauds that the Department of Trade, Industry and Commerce apparently fails to see. In certain cases, it was pointed out that "Made in Taiwan" labels and "Made in Korea" labels were exhanged and simply replaced with "Made in Canada" labels. Goods not made in this country were labelled as such and displayed in Canadian stores; that is what is known as outright fraud.

The department of Manpower is involved in the textile industry and so is the Department of National Revenue,

through customs and excise, the Department of Industry, Trade and Commerce, the Department of Labour and many others. But when you get down to the bottom of it, you really wonder whether one of those departments can, through its own policy, allow the textile industry to make progress. As has been pointed out in last year's intervention, the problem may be easier than it is believed. What the textile industry and the workers in that sector are asking for is the assurance of an increasing part of the market to eventually reach 75 or 80 per cent of the Canadian market.

Now, Canadian manufacturers have 46 per cent of our market. The government, through the Department of Industry, Trade and Commerce, indicates that close to 75 per cent of the market is controlled by Canadian manufacturers. Which of the two are we to believe? We do not even know, statistically speaking, whether those 46 per cent of the Canadian market the textile workers say they hold or the 75 per cent the government says belongs to the Canadian manufacturers are true figures. It is startling to note a difference of 30 per cent between the figures quoted by one and those quoted by the other.

We must therefore after all be happy that a detailed study is now being conducted on the future prospects of the textile industry and that if it truly has a future, the government will review its business policy and its global policy in this area, provided of course it really wants this sector, which is so important for Quebec and all of Canada, to survive. It is essential that the government stop allowing the countries who are much better placed to do so to compete against domestic industries.

A little over a year ago, the President of the Treasury Board (Mr. Chrétien) told textile union members who had come to Ottawa that the government had no intention of letting the textile industry die out. However, when we see that imports have increased, that the Canadian share of the market is not even 50 per cent, if we believe this figure, we must ask ourselves if all the necessary action is being taken to allow this industry to live or to survive.

In the textile area, there has been a higher productivity rate than in any other industrial sector since 1953. And in 20 years, this sector has had lower prices than any other sector. In my humble opinion, there are certainly solutions to the problems that I have just described. There are answers to all the complaints that have been made these last few years, but to this day, the answers have not been satisfying for the simple reason that the government does not follow up on what it says.

A great part of our imports now come from the United States. Yet we are well aware that the Americans can compete very strongly on the Canadian market. We must give our manufacturers the means to defend themselves. If we want true competition, let us give Canadian producers a useful instrument to allow them to compete efficiently and equally, and I am convinced that the Canadian producers will fare well.

At the present time, one of the great problems of the textile industry is the lack of information and discussion among the various levels. We are told that the Department of Industry, Trade and Commerce has some 25 employees dealing day after day with the textile industry. Those 25 employees must make sure that the 200,000 workers in that sector earn a decent living. I sincerely believe that if those 25 individuals really want to look conscientiously and dynamically after that sector, they will have done much for the textile industry.

From now on, we will have to check whether the persons dealing with the textile industry, at any level whatever, especially at the federal level, make the necessary suggestions to the pertinent department for the development of that sector. On several occasions in recent years the government has indicated its intention of helping Canadian industry. Is it necessary to point out that the textile industry is 90 per cent Canadian. The fine intentions and kind words stated during those last years must now be translated into action.

● (2140)

[*English*]

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, the Minister of Finance (Mr. Macdonald) stated that one of the best ways to increase industrial productivity is to encourage the development of high technology and innovative new processes. He then went on to say that this is a high risk business and a difficult one into which to attract venture capital. However, the result of this statement by the minister was only a promise to have his officials study this matter on a priority basis, whatever and whenever that might be.

In comparison to this lukewarm decision to make a study into something which he says is important, may I read into the record the official position of the Progressive Conservative party:

> The Progressive Conservative Party believes expenditures on research and development are capital expenditures—investments in the future. We believe that, like all investments, if wisely made they will yield tremendous dividends. Our party has faith in Canada and the skills of Canadians and would make large-scale productive investments in science and technology.

We have a commitment and a belief. Let us compare it to the statement in a press release from the Department of Industry, Trade and Commerce on May 10, 1976, to the effect that after providing more than $220 million in research and development funds to do something for Canadian companies during the last nine years, the Industrial Research and Development Incentives Act will end this year.

The budget also referred to some deductions for small business. The minister indicated that these measures would significantly benefit all small- and medium-sized corporations. I should like to suggest to you, Mr. Speaker, and to members of this House that these promises of measures which will be of some small assistance to small business do not go to the core of the problem and of course will do nothing to help research and development which is so desperately needed if we are to expand the industrial base in this country. Canada needs a good research and development policy. Canada needs an industrial strategy unless we are to settle for a role as a second or third class industrial and scientific community.

On June 9, 1975, a member on the government side, the hon. member for Halton (Mr. Philbrook), stated that a national science policy for Canada of grand design has been seriously considered for many years by all interested

parties, especially since science and technology began to dominate our lives after World War II as the spearhead for all society and our whole way of life. He said there has also been criticism in Canada of such a policy, mainly in that we have not been able to formulate one and therefore we have tended to fall behind other nations in scientific, political economic clout.

In September of 1975 the part-time minister, or as was explained earlier this session in a debate on science, the minister who spends four hours per week on science and technology, announced the publication of a report entitled "The Availability of Risk Capital for Technological Innovation and Invention in Canada". This report indicated what he says is a severe shortage in Canada of high risk investment which should be available to support technological ventures because we do not have the incentives for people to invest in high risk investments.

What do we have? We have some foreign controlled groups, mostly American, coming in and buying out our technology and our companies. There are not the incentives for Canadians to do this. A few years ago the government indicated that it would slow down the process, and of course it introduced FIRA. What has happened is that under the Foreign Investment Review Act about 85 per cent of all applications by foreign-controlled consortiums to buy Canadian companies have been approved by the government. So really the government has not done very much. There has been a lot of talk and much hot air but not much of substance has been provided. In the area in which it has proudly proclaimed it spent $220 million in research and development funds since 1967 to some 3,000 Canadian companies, it has now decided to wipe that out.

● (2150)

The Industrial Research and Development Incentives Act made its debut in 1967 to provide for the payment of outright cash grants, based on expenditures in Canada for scientific research and development by a taxable corporation in its fiscal year. The Industrial Research and Development Incentives Act also provided grants to universities, colleges, research institutions, and non-profit Canadian corporations. Those grants were exempt from income tax in order to emphasize that they were an additional incentive offered to Canadian industry and were designed to supplement the normal deductions of all research and development expenditures allowed under the Income Tax Act. Now, as part of these draconian cuts in government spending that we have heard so much about, IRDIA has been dropped. In order to try to gain some measure of restraint today, the government has cut out possible growth in the future arising from a scientific and technologically superior industrial base.

The IRDIA program was the only government assistance program that I am aware of that gave support to new business, except perhaps in the special DREE areas, and it is one of the very few programs that gave capital equipment assistance at any time. This was particularly helpful to small businesses as a new venture incentive where capital was necessary because of the technology involved.

The response to the program over the years has been warm. Many Canadian companies have applied for grants. The response to the repeal of this act was overwhelming.

[Mr. Dick.]

The Chairman of the Science Council of Canada has countered that technology based industries in Canada must be accorded a National priority. The Chairman of the Department of Geology at the University of Toronto has stated that, just as earth sciences became most exciting, funds for Canadian research were cut. The Chairman of the Science Policy Committee of the Canadian Association of Physicists has stated that Canadian physics is in a depression. The Chairman of the Department of Medical Genetics at the University of Toronto has said:

> The government's policy in this respect could produce serious repercussions by undermining the quality of the universities, restricting opportunities for young people and limiting our ability to meet the challenges of our technological society and that Canada is indeed on the way to becoming a second or even a third-rate scientific community.

The Chairman of the Department of Medical Genetics at the University of Toronto was perhaps speaking in the area in which he has most knowledge, but he stated something that applied to all young people in Canada when he said that this action of the government will have "serious repercussions by undermining the quality of universities". But most important, Mr. Speaker, is the following phrase, "restricting opportunities for young people". We cannot employ the young people in our country today. There are people with Ph.Ds who cannot get jobs; there are engineers who cannot find employment; there are people with B.As who cannot work in any of fields for which they have been trained, and this is because we are expanding our industrial base rather than our scientific and research base.

Not so very long ago the Senate Special Committee on Science Policy under the chairmanship of Senator Maurice Lamontagne made an exhaustive study of Canada's research and development efforts with respect to this country's economic needs, and issued a three volume report entitled "A Science Policy for Canada". The third volume recommended that Canada should steadily increase its support of research and development and achieve by 1980 a figure of 2.5 per cent of our gross national product. A corresponding increase should have been made for support of basic research.

A recent Statistics Canada survey of "leading performers" showed that the in-house research and development expenditures as a percentage of the gross national product have declined in terms of current dollars to about .37 per cent in 1973 from .44 per cent in 1967. Mr. Speaker, .37 per cent is a long way from the 2.5 per cent which was predicted as needed if we were going to be a first class technology based industrial nation.

For some reason we have not been able to formulate a national science policy. The government has not put forth a science policy, and we have tended to fall behind all other nations in scientific-political-economic clout. We live in a more and more technical society and must make judgments on areas such as food supply, pollution, population control, energy resources, and nuclear disarmament. The decisions made by Canada are limited by our appreciation of what science can and cannot achieve.

With regard to industrial technology we have a minister who is urging Canadian businessmen to go outside Canada to form joint ventures with the Third World and export back to Canada something which is just taking jobs away from Canadians, as has happened under Bill C-179 in the twenty-ninth parliament. I know of a certain factory in my

constituency of Lanark-Renfrew-Carleton which went out of business because of it. Some 400 people were formerly employed there.

What we should be doing is staying in our own country, developing what we have. We are not doing much to encourage development of manufactured products in this country. If we are to maintain a strong industrial base then we can assist others, but if we weaken our home base surely we are going to be in grave danger.

The OECD has indicated that of the 12 countries spending various percentages of their Gross National Product on research and development, Canada stands tenth, behind the United States, France, United Kingdom, Sweden, Germany, The Netherlands, Belgium, Japan, and Norway. Mr. Speaker, perhaps I may call it ten o'clock and continue at the next calling of this debate.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

AGRICULTURE—REQUEST FOR REPORT ON STUDY OF EFFECT OF REMOVAL OF FREIGHT SUBSIDY ON WHEAT AND FLOUR FOR EXPORT

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I think this is the fifth, sixth, or perhaps even the seventh time that on the late show of this parliament I have raised the question of the proposal under Bill C-87 to do away with the subsidies on the transportation of flour and ground cereals through Atlantic and eastern Canadian ports under the Railway Act.

One of the advantages of being so persistent—along with other members who have done the same thing—is that it seems on the late show we have tended to find out where the issues really are. After talking and arguing with the Minister of Transport (Mr. Lang), the President of the Treasury Board (Mr. Chrétien), the Minister of Agriculture (Mr. Whelan), the Minister of Industry, Trade and Commerce (Mr. Jamieson), and all of the hon. gentlemen I brought into the picture on the late show, I gather it really boils down to the fact that the Minister of Agriculture and the Minister of Industry, Trade and Commerce are very much in my corner, and the President of the Treasury Board is willing to pat me on the head and say he is in my corner because it is a substantial issue, but he knows that he has to carry out the financial mandate of the government. The Minister of Transport is squarely against me.

● (2200)

On the other hand the Minister of Transport has made this much of a concession, that since the debate started—not before the debate started—we have had smuggled into this issue the question of the unit train concept, that is, that there would be a train which would leave some Saskatchewan or Manitoba grain point every so often and make its way to Halifax, or to Saint John, for that matter, and there unload its cargo for delivery overseas. So this much at least we have got of the Minister of Transport.

Now, mind you, we have no guarantee that this is going to happen, and it is because we have no guarantee that I continue to put my skeptical six foot four inch self up in the House of Commons from time to time to try to argue this issue. I think it is important to the port of Halifax, but also the port of Saint John, to the port of Montreal, to any number of communities in Ontario where there are flour mills, and to the wheat producers of western Canada.

Lest somebody should ever dare to tell me that I am arguing a very special interest to the port of Halifax, this has been discussed in an article which is part of a series of articles written by Ian Thompson, who is the transportation reporter for the Halifax *Chronicle-Herald* and for the *Mail-Star*, and who I think has done a pretty fair job of trying to analyse the situation. These articles can be found in those two newspapers for the week of approximately May 20 to May 26. In any event, quoting from the last part:

> In 1975 the St. Lawrence Seaway handled about 450 million bushels of wheat from Canadian and American fields, more than 20 times that which went through the Port of Halifax.
>
> Even if Halifax were operated to capacity and the additional business was taken from the Seaway, river ports would still be left with over 400 million bushels, more than six times that of a busy Halifax.

So I hope by putting that fact as succinctly as I could on record it is evident that I am not trying to argue that Halifax should have any enormous advantage over Montreal or any other place like that. I am not, but I am arguing, I will continue to argue, and perhaps I will be arguing into August because that is how strongly I feel about clause 15 of Bill C-87. Halifax at least should be permitted its legal place in the Canadian sun. It need not be permitted a great, great place, but at least nothing which is less than other places enjoy.

I asked the Minister of Agriculture my question the other day, and it is his minion who will be replying tonight. The question I asked was: what about the studies which are being carried out in the Department of Agriculture? Obviously the Minister of Agriculture looked at me with a friendly eye. As a matter of fact, both of them were friendly the other day when he answered my question. I do not know what kind of response I will receive tonight from the person who reports for him, but the fact is that there have been studies carried out there, and very properly.

There should have been studies carried out within the Department of Agriculture on the effect of the proposed cutting out of that particular subsidy under section 272 of the Railway Act. The minister is obviously in my corner, but he also obviously is not here tonight. However, I am just hoping that he and the Minister of Industry, Trade and Commerce will start to exert a greater amount of influence within the cabinet on this matter. We face Bill C-87. I put it this way—I do not mind at all having unit trains to Halifax. I can understand that; it will be a noble experiment. But let the train be in situ, as it were, in operation, before something which means so much to the waterfront of a great Canadian port is cut out.

[*Translation*]

Mr. Irénée Pelletier (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, on looking over the official report. I found that this matter has been discussed at least six times during the adjournment debate since April. Answers to this question have been given by the Parliamentary Secretary to the Minister of National Health and Welfare on March 22, 1976, by the Minister of Transport himself on April 5, 1976, by the Parliamentary Secretary to the Minister of Industry, Trade and Commerce on April 13, by the Parliamentary Secretary to the President of the Treasury Board on April 29, 1976 and by myself on March 29 and 30. Therefore, there are very few new developments of which I can inform the House at this stage.

As regards the question that the hon. member put to the Minister of Agriculture on May 27, I can inform the House that studies are presently being carried out within the department. These studies are pursued in co-operation with the Canadian Grains Commission, the Canadian Wheat Board and other federal departments.

The Canadian Grains Commission has assured the minister on several occasions that the storage requirements in Atlantic ports will be fully safeguarded. The Canadian Wheat Board believes that Canadian grain exports will not be affected by the removal of this subsidy. Discussions have also taken place in the House about the use of unit trains for the movement of grain from the Prairies to the Atlantic ports.

Nevertheless, Mr. Speaker, I wish to inform the House that this matter is still under review and that our department, the Department of Agriculture, is giving it close attention, and that discussions are under way in order to ensure that such action will have no adverse effect. The minister has already made these undertakings to the Canadian National Millers' Association.

[*English*]

THE QUEEN—DATE OF STATEMENT ON PLANS TO CELEBRATE HER MAJESTY'S SILVER JUBILEE

Mr. Stan Schumacher (Palliser): Mr. Speaker, I rise this evening to draw the attention of the House to the fact that 1977 will mark the Silver Jubilee of our Queen's reign.

Some hon. Members: Hear, hear!

Mr. Schumacher: What an occasion for celebration, the celebration of Thanksgiving for the 25 years of Her Majesty's service and dedication to her peoples, service given in love, without any reward save that of knowing that she has accomplished thoroughly and well that which, as the young princess, she promised to do on her twenty-first birthday: that all her life, long or short, would be dedicated to our service. Has ever a vow been more conscientiously or faithfully maintained?

The Secretary of State (Mr. Faulkner) told the House that a committee is working on plans to celebrate this event in Canada and that he may be in a position to make a statement to the House some time this month as to plans for celebrating this great event. Seeing that the plans for the celebrations in the United Kingdom were announced last December, it is evident that Her Majesty's Canadian ministers are already well behind the times.

I venture to make some suggestions to the committee on behalf of the average Canadian who loves his sovereign lady and who, perhaps more important, has a profound respect for the role played by the institution of the Crown—

Some hon. Members: Hear, hear!

Mr. Schumacher: —that democratic system we cherish, embodied in the constitutional monarchy. That average Canadian, Mr. Speaker, would like to see celebrations both of substantial importance and of symbolic significance.

To deal with the first, I suggest that the government take upon itself, maybe with the helpful advice of loyal societies such as the IODE, the Monarchist League, the United Empire Loyalist Association, and the Royal Canadian Legion, the task of disseminating widely across Canada information about the role played by the Crown in our lives. By the end of 1977 every child should have gained a new perspective on our system of government, and doubtless many of their elders will have learned a few things too.

● (2210)

This widespread distribution of information should naturally be complimented by a host of symbolic events up and down the breadth of this dominion—national services of Thanksgiving in churches and synagogues across the country; a national bonfire coast to coast on the evening of the accession; fireworks displays on Victoria Day; dedication or re-dedication of federal parks, buildings and other sites in honour of our Queen; the enshrining by statute of "God Save the Queen" as the Royal Anthem and "O Canada" as the National Anthem; the issuance of a special stamp and coin series and the appropriate replacement of the present abstract design which appears in lieu of Her Majesty's portrait on pre-stamped envelopes; a symbolic meeting of the Queen's Privy Council for Canada—after all, we are the only commonwealth country to have its own privy council—and, finally, a full royal tour. Let us not confine our Queen to Ottawa, but remember that as Queen of all Canada she should be allowed to visit, however briefly, all parts of her realm, for it is all sections of this dominion which desire to do her homage.

When Her Majesty comes to Ottawa, I trust that her government will see to it that an opportunity is given for the Queen of Canada to perform in public the important constitutional duties of our sovereign; to open or to prorogue a parliament, and to give Royal Assent to bills. In this way our constitutional abstraction is made a living reality.

Mr. Paproski: How about making Stanley a Privy Councillor?

Mr. Schumacher: That would be all right.

Mr. Knowles (Winnipeg North Centre): Which Stanley?

Mr. Paproski: Stanley Knowles.

Some hon. Members: Hear, hear!

Mr. Schumacher: In all of this, Mr. Speaker, it must be evident that the government has to give the lead, if not itself actually organize these events to which I have referred. 1977 offers Canada a real chance to show to ourselves and to our commonwealth colleagues that we take second place to no one in the affection and in the pride we bear our beloved Queen. Long may she reign!

Some hon. Members: Hear, hear!

Miss Coline Campbell (Parliamentary Secretary to Secretary of State): Mr. Speaker, on the subject matter raised by the hon. member for Palliser (Mr. Schumacher), that of Her Royal Majesty's silver jubilee and how Canada intends to celebrate our sovereign's anniversary, I can assure this House that the question is presently under active study by officials of the Secretary of State's Department. It will be appreciated that, in such matters as royal visits, a great deal of consultation is necessary. I am also informed that a number of recommendations will be presented to cabinet during the course of this summer.

ENERGY—DISPUTE BETWEEN NEWFOUNDLAND AND QUEBEC OVER CHURCHILL FALLS POWER—ACTION OF MINISTER

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, on March 31 I questioned the Minister of Energy, Mines and Resources (Mr. Gillespie) about the dispute between the provinces of Newfoundland and Quebec with regard to the request by Newfoundland to recall some 800 megawatts of electric power from the Churchill Falls power station, a portion of the 5,225 total production which was negotiated for sale to Quebec by the previous government of Newfoundland.

The power is urgently required to develop the Lower Churchill-Gull Island site, particularly for the construction of transmission lines in the tunnel, in order to transmit same for the needs of the province in its future development, the creation of jobs and, indeed, to help Canada in its vital energy requirements.

Under a 65 year contract signed with Hydro Quebec in 1969, Newfoundland is entitled to recall 300 megawatts, but the province needs 800 megawatts. It is obvious that the federal government recognizes the justification of the lower Churchill development as it offered to provide some $343 million, out of a total $1 billion, in loans to the province.

I feel that in the interest of Canada, in the words of the premier of Newfoundland, it is particularly galling that Quebec is making enormous profits from the power sold to them at a ridiculous cost. More galling to me is their refusal to act as good partners in Confederation or to contribute toward solving the national problem, particularly when this could be done without hardship to the Quebec economy. It is total blackmail when the responsible Quebec minister states that a condition for acceding to Newfoundland's request would be the sale to Quebec of land comprising the watersheds of the five rivers which rise in Labrador and which flow through Quebec into the Gulf of St. Lawrence.

Under the agreement of 1969 the province of Quebec pays 3.5 mills per kilowatt hour and sell it for prices which range from 24 mills to 42 mills. While I realize that from an economic point of view Quebec cannot be blamed for taking advantage of a good thing, and that one cannot blame the previous administration in Newfoundland which might be criticized for entering into a bad deal, particularly when we recall that in 1969 predictions made by experts indicated that Canada had an abundance of energy available for use into the distant future, what I am concerned about, Mr. Speaker, is that the minister seemed to be reluctant to enter into these negotiations or to make any effort to impress on the Quebec government the need for a change in its attitude toward Premier Moore's request made in the national interest.

I emphasize that the premier has been more than co-operative. In the message he sent to the premier of Quebec he said, first, that he hoped an equitable and amicable arrangement could be concluded and that he was ready to undertake negotiations with respect to right of access to Churchill Falls power with a fairer apportionment of the benefits to both provinces. In the second place, he expressed willingness to agree to the joint development of the rivers which are common to Newfoundland and Quebec as part of the fuller use of Labrador hydro resources.

Needless to say, while the government of Newfoundland has expressed every willingness to co-operate, it is adamant in taking the position that, if the dog in the manger attitude of the Quebec government persists, there are other courses of action which can be taken. Under clause 2 (E) of the agreement giving the lessee the right to transmit throughout the province and to export such power, there is a provision that, upon the request of the Newfoundland government, its consumers of electricity shall be given priority where it is feasible and economic to do so. Unless agreement is reached the government of Newfoundland has no alternative but to institute steps to seek clarification of its legal rights, and once right of access is established the province could conceivably take the entire output of Churchill Falls.

My purpose in speaking tonight is to impress on the minister and upon the government that they should address themselves to this issue immediately rather than continue the passive interest which they have shown up to now. I say this because of the need, as a priority, to develop alternative sources of power which are available through the Lower Churchill Gull Island project so as to relieve the pressures of the energy shortage for the benefit of our nation. I ask the minister to recognize the contribution which Newfoundland could make to this end, a contribution which is being hindered by one of the Canadian partners in Confederation.

I can only hope the minister or the parliamentary secretary will express, on behalf of the government, a willingness to direct meaningful attention to this problem in the interest of Canada and of national unity.

Mr. Maurice Foster (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I certainly appreciate the concern the hon. member has expressed about the difficulty Newfoundland has experienced in securing additional power supplies for Labrador and for Newfoundland itself. It is one which is shared by the Minister of Energy, Mines and Resources (Mr. Gillespie) and by the federal government as a whole. That is why a little over a year ago we offered to pay, I

believe, all of the financing costs of the hydro interconnection between the proposed Gull Island hydro installation and Newfoundland. So there is concern that adequate power will be available.

● (2220)

The dispute that has developed between Newfoundland and the province of Quebec is a matter for the two provinces, both of which have constitutional responsibilities in this area. I think the minister indicated, when he responded to the hon. member earlier this week, that he was willing to play any meaningful role that he could in resolving this dispute, and I understand that he will be attending the Atlantic premiers' meeting this week end. At the same time I think we must recognize that if he is invited by the two provinces concerned to mediate or negotiate a settlement of the dispute, his position will be much stronger than if he tries to impose in the circumstances. I cannot offer the hon. member any further information on the situation other than that the minister stands willing to give his assistance when and if he is asked to provide it.

Motion agreed to and the House adjourned at 10.24 p.m.

HOUSE OF COMMONS

Friday, June 4, 1976

The House met at 11 a.m.

ROUTINE PROCEEDINGS

[*English*]

VETERANS AFFAIRS

COMMEMORATION OF THIRTY-SECOND ANNIVERSARY OF D-DAY—MOTION UNDER S.O. 43

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I wish to move a motion under Standing Order 43 concerning a matter of pressing and urgent necessity.

On Sunday, June 6, 1976, Canadian veterans of World War II will remember the D-Day invasion of Normandy by allied forces. Unfortunately, thousands of our Canadian youth lie in graves in France because of this holocaust and it is our duty that parliament pay respect for those who fell. I therefore, move, seconded by the hon. member for Welland (Mr. Railton):

That this House gives recognition and pays tribute to war veterans who took part and to the families of those who fell on June 6, 1944 on this, the 32nd anniversary of D-Day.

Mr. Speaker: Standing Order 43 requires the unanimous consent of the House before such a motion can be introduced. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Speaker: Hon. members have heard the terms of the motion, is it agreed?

Some hon. Members: Agreed.

Motion agreed to.

* * *

AGRICULTURE

PROPOSAL TO USE SURPLUS MILK IN THE PRODUCTION OF CHEDDAR CHEESE—MOTION UNDER S.O. 43

Mr. Arnold Peters (Timiskaming): Mr. Speaker, having regard to the extreme anger expressed by the Quebec milk producers on Parliament Hill yesterday and being fully aware of the normally tranquil attitude of the Canadian farmer who is used to adversity generated by government, bad weather and uncertain markets, I move, seconded by the hon. member for Brant (Mr. Blackburn):

That this House instruct the cabinet to enable the Canadian Dairy Commission to direct our industrial milk surplus into the production of cheddar cheese by revitalizing and operating all the idle cheese factories to compete with Kraft and other companies who now have a detrimental monopoly that curtails the utilization of surplus summer milk and forces excessively high retail prices for Canadian cheddar cheese upon the Canadian consumer.

Mr. Speaker: Standing Order 43 requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No.

SUGGESTED RELEASE OF SKIM MILK POWDER FOR USE AS ANIMAL FEED IN THE WEST—MOTION UNDER S.O. 43

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I, too, rise under the provisions of Standing Order 43. Having regard to the huge supply of skim milk powder in storage in Eastern Canada, estimated at well in excess of 200 million pounds, and the fact that export sales remain at prices below 10 cents per pound as animal feed while domestic prices are being held in the 40-50 cent range, and given the fact that domestic markets are available in the West for feed grade skimmed milk powder at reasonable prices for use as milk replacer, calf starter and poultry rations, but that insufficient stocks exist there to meet the demand, I move, seconded by the hon. member for Lisgar (Mr. Murta):

That the Minister of Agriculture instruct the Canadian Dairy Commission to release sufficient quantities of skim milk powder at reasonable prices to the animal feed industry to fulfil present and future demands, so as to improve the viability of this important industry and at the same time reduce feed costs to these animal producers.

Mr. Speaker: Standing Order 43 requires the unanimous consent of the House. Is there such consent?

Some hon. Members: No.

* * *

FINANCE

REQUEST THAT PRESIDENT OF TREASURY BOARD EXPLAIN ALLEGED INACCURACIES IN ESTIMATES—MOTION UNDER S.O. 43

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, pursuant to the provisions of Standing Order 43, I request the unanimous consent of the House to introduce a motion on an urgent matter. As the budgetary papers tabled on May 25 make it clear that the estimates for the fiscal year ending March, 1977 and representations made by the President of the Treasury Board are inaccurate and inconsistent with figures now produced by the Minister of Finance, and as the President of the Treasury Board has acquiesced in the tabling of supplementary estimates with respect to Loto Canada and nothing else, I move, seconded by the hon. member for Vegreville (Mr. Mazankowski):

That an immediate reference be made to the Standing Committee on Finance, Trade and Economic Affairs at which time the President of

Treasury Board be asked to explain his own gross incompetency including an explanation of the inaccuracies and inconsistencies—

Mr. Speaker: Order. Under the terms of Standing Order 43 the motion cannot be put without unanimous consent. Is there unanimous consent?

Some hon. Members: No!

* * *

● (1110)

[*Translation*]

AGRICULTURE

REQUEST GOVERNMENT ADOPT DAIRY POLICY MORE ADVANTAGEOUS TO PRODUCERS—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, pursuant to Standing Order 43, I request the unanimous consent of the House to present a motion dealing with an urgent and important matter.

Considering the prime importance of the agricultural industry for any self-respecting country, considering that one never knows when a serious shortfall may happen and that the European Common Market is likely to face a disastrous crop year because of the droughts now affecting the member states, and considering that faced with this situation and those factors the government cannot bring about the destruction of the dairy industry, the major Quebec agricultural industry, I move, seconded by the hon. member for Joliette (Mr. La Salle):

That all hon. members in this House, particularly those representing Quebec constituencies, demand that the Minister of Agriculture reconsider his position and give the milk producers the revenues they require.

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

[*English*]

UNEMPLOYMENT INSURANCE

REQUEST FOR STATEMENT ON POSSIBILITY OF CHARGES AS RESULT OF INQUIRY INTO DEFRAUDING OF COMMISSION—MOTION UNDER S.O. 43

Mr. Tom Cossitt (Leeds): Mr. Speaker, I rise under the provisions of Standing Order 43 to move a motion on a subject which I brought out two weeks ago in the House in regard to extensive defrauding of the Unemployment Insurance Commission and the one arrest to date by the RCMP of Gordon Gunn of Ottawa in this regard. I move, seconded by the hon. member for Winnipeg South Centre (Mr. McKenzie):

[Mr. Stevens.]

That the Minister of Manpower and Immigration and the Solicitor General be required to advise the House if additional investigations are now completed by the Unemployment Insurance Commission and the RCMP, and specifically when charges will be laid by the RCMP against further persons involved, including certain members of the head office staff of the Unemployment Insurance Commission of Canada, 222 Nepean Street, Ottawa, and at least one person at the local Ottawa office of the Unemployment Insurance Commission—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. As I have indicated many times in the past, I think I have to be extremely careful in those matters. A motion pursuant to Standing Order 43 should be sufficient to describe the urgency of the matter and not get into substantive debate. If the hon. member would put his motion forthwith.

Mr. Cossitt: May I conclude with these words, Mr. Speaker:

—and finally if immediate charges are not pending—

Some hon. Members: Order.

Mr. Speaker: Order, please. The hon. member for St. Catharines.

* * *

URBAN AFFAIRS

CONGRATULATIONS TO ST. CATHARINES ON ONE-HUNDREDTH ANNIVERSARY OF INCORPORATION—MOTION UNDER S.O. 43

Mr. Gilbert Parent (St. Catharines): Mr. Speaker, on the occasion of the one hundredth anniversary of the incorporation of the city of St. Catharines, a proud Canadian community situated in the prosperous heartland of the Niagara peninsula, I rise to move, seconded by the hon. member for Restigouche (Mr. Harquail)—

An hon. Member: He is not even here.

Mr. Parent: —under the provisions of Standing Order 43:

That this House extend to the citizens of St. Catharines its congratulations in recognition of one hundred years of achievement in education, culture, recreation, commerce and industry.

Further, I would like to invite all the honourable members of the House to visit—

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. Pursuant to Standing Order 43 such a motion cannot be put before the House without its unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Speaker: Accordingly, it is moved by the hon. member for St. Catharines (Mr. Parent), seconded by the hon. member for Saint-Denis (Mr. Prud'homme):

That this House extend to the citizens of St. Catharines its congratulations in recognition of one hundred years of achievement in education, culture, recreation, commerce and industry.

Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

ORAL QUESTION PERIOD

[*English*]

NATIONAL DEFENCE

LOCKHEED CONTRACT—DATE OF CABINET DECISION ON PAYMENT OF INTEREST

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of National Defence. Yesterday the Minister of National Defence said that the interest charges of $100 million were considered at the cabinet meeting of November 27 but he would have to check the records to see if there was a decision. Can he now confirm the information that he gave the House yesterday?

Hon. James Richardson (Minister of National Defence): Yes, Mr. Speaker. The matter is very clear if the hon. member will follow what I have said to the House on previous occasions and to committees, all of which I am pleased to confirm once again. There are in my estimates $1,061 million for long-range patrol aircraft, and at least $107 million of this is for interest. Obviously this would not have been in the estimates if it had not been approved by Treasury Board, and Treasury Board would not approve $107 million in interest if it had not been approved by Cabinet.

* * *

SUPPLY AND SERVICES

LOCKHEED CONTRACT—REASON MINISTER DID NOT KNOW ON DECEMBER 2 OF INTEREST PAYMENT

Mr. Allan B. McKinnon (Victoria): I should like to thank the minister for the openness of that statement. I direct my supplementary to the Minister of Supply and Services. The Minister of National Defence has just confirmed that the $100 million interest charge was discussed in Cabinet on November 27. Can the minister explain how he knew nothing about it on December 27. Can the minister explain how he knew nothing about it on December 2 when he sent the telex?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, the Treasury Board authorized the payment of interest after December 2.

Mr. McKinnon: Mr. Speaker, the minister did not really answer my question. Perhaps I will have better luck with my next one. The Minister of National Defence has confirmed that it was discussed on November 27 at Cabinet. I would expect he would have known by December 2, particularly as this information was reinforced by a memo of December 1 from his deputy, expressly noting that there could be $100 million in interest charges. Can the minister explain the contradiction between his ignorance of this fact and the fact that both the Minister of National Defence brought it up in Cabinet and the deputy minister told him about it in a memo the following day, or the day before December 2?

Mr. Goyer: Mr. Speaker, the authorization for payment of the interest was decided by Treasury Board after December 2. The memorandum dated December 1, prepared by my officials, pertaining to the LRPA project, referred to possible cash flow problems with regard to the most cost-effective production schedule. The memorandum indicated that to respect the most efficient schedule DND could possibly resort to commercial financing. No reference was made to financial negotiations held between Lockheed and DND. A copy of this memorandum was sent to the official of DND responsible for the LRPA program. Later that day this same DND official, as well as my own officials, met with me for a briefing session in preparation for a meeting to be held with Lockheed representatives the following day. In both instances, during the briefing session of December 1 and during the December 2 meeting with Lockheed representatives, Mr. Kotchian and his associates, the Department of National Defence, which in this case had exclusive responsibility to provide financing, made no reference to financial negotiations held between Lockheed and itself. Furthermore, DND gave no indication whatsoever that it could not meet its financial obligations. At that point in time I had no apparent reason to mistrust the DND's judgment.

LOCKHEED CONTRACT—KNOWLEDGE OF MINISTER OF VERBAL AGREEMENT AND NEED FOR INTEREST MONEY

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, my question is for the Minister of Supply and Services. Yesterday the Prime Minister, when speaking of the verbal agreement, said: "Perhaps we acted imprudently but we did so in good faith based on this verbal agreement". Is the Minister of Supply and Services asking us, therefore, to believe that several other Cabinet colleagues knew of the verbal agreement and the needed interest money, but he did not? Can he produce any other minister who shared his ignorance of these two crucial pieces of information?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): I cannot speak on behalf of my colleagues, Mr. Speaker, and this is obvious.

An hon. Member: You spoke on behalf ot the Minister of National Defence.

LOCKHEED CONTRACT—INQUIRY WHETHER MINISTER ATTENDED CABINET AND TREASURY BOARD MEETINGS AT WHICH MATTER DISCUSSED

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, the Minister of Supply and Services was a member of Treasury Board in December and has placed part of the blame on Treasury Board. Presumably, he would be on the sending and receiving end of Treasury Board advice in this matter. Did the Minister of Supply and Services attend any or all of; (a) the Cabinet meeting on November 27, (b) the Treasury Board meeting on December 1 and, (c) the Cabinet meeting on December 2?

● (1120)

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, the hon. member is misinformed. There was no cabinet meeting of which I know on December 2 at which this item was discussed. With regard to the

reference to the Treasury Board, of course I was there. In respect of the meeting of cabinet, I was there for part of the cabinet meeting and I stated that the authorization of payments of interest was made by Treasury Board after December 2 and I was in attendance at that meeting.

Mr. McKenzie: Mr. Speaker, I have one final supplementary for the same minister. On March 29 this year I asked the minister if he was aware of the financial difficulty of the Department of National Defence. They were having difficulty in finding money. The minister gave me a one word answer, no. This was March 29. He must have had that internal document on December 1, so can he please explain the contradiction?

Mr. Baker (Grenville-Carleton): There are a whole raft of contradictions.

Mr. Goyer: The hon. member can stand up and make any accusation. I can take any type of accusation. I am telling the truth, and that is all.

Mr. Speaker: The hon. member for Oshawa-Whitby.

Mr. Baker (Grenville-Carleton): You are an incompetent minister. You do not have the Prime Minister to protect you today.

* * *

FINANCE

REASON FOR CHANGES IN UNEMPLOYMENT INSURANCE REGULATIONS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the contented Minister of Finance concerning certain budgetary proposals he made a year ago. The Minister of Manpower and Immigration in committee described as a red herring those who wanted to change the UIC Act away from providing for claimants who have spent eight weeks in the labour force by saying that this would particularly affect the people in Quebec and the Atlantic provinces. Specifically the minister said:

> The incidence of disentitlement or disqualification, as an effect of failure to meet one's obligation under the act, is lower amongst the group with a minor attachment to the work force—

I should like to ask the minister if that was the government's view last year and, since my information is that the evidence has not changed one whit, why has the government changed its policy?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the Minister of Manpower and Immigration, in his statement the other day, pointed out that the careful analysis which the government has had from the Unemployment Insurance Commission about the profile of this particular group in the work force is one which has just been available to the government in recent months and which of course has been reinforced by the careful analysis the government and the country has received from the Economic Council with regard to jobs and the work force and the best way to deal with one of the priority problems in Canada.

[Mr. Goyer.]

REASON FOR BELIEVING NO INCREASE IN WELFARE COSTS IN ATLANTIC PROVINCES AS RESULT OF UNEMPLOYMENT INSURANCE CHANGES

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, both the evidence the minister has and the views of the Economic Council are in accord with our view and that of critics of the government's change rather than the government's apologies for its announcement. I should like to ask this as a supplementary: since the Minister of Manpower and Immigration also said last year that the particular nature of the labour market in Atlantic Canada made it essential to maintain the Act as it was and said most specifically:

> . . . I think we get at the root of upgrading their opportunity rather than trying to cut them off because they are a cost or an embarrassment. They would be on welfare anyway . . .

It was his view that welfare costs were bound to increase for the Atlantic provinces if the Act were changed in this direction. I should like to ask the minister what evidence he has for believing today that welfare costs will not substantially increase in Atlantic Canada as a result of this change.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the Minister of Manpower and Immigration dealt with this view fully in a statement he made in the House earlier in the week. He pointed out as I have just pointed out to the hon. gentleman—and I am not sure that any answers will persuade the hon. gentleman away from the political position he is taking—that indeed those in the work force in this particular group who would go on to the welfare rolls would be something less than 10 per cent. That estimate was based, as I said a moment ago and as the minister said the other day, on the analysis and profile that has been determined. We think it is an accurate one. I think the Minister of Manpower and Immigration reinforced the other day the concern that he expressed a year ago, as quoted by the hon. gentleman, that a far better means of policy making would be to find ways in which either by training or by other continued connections with the work force this group could be kept in the work force rather than having to go on unemployment insurance.

Mr. Broadbent: That might be encouraging if the minister did not acknowledge on television that the government has no such programs to implement and will not have them ready until the beginning of 1977.

Some hon. Members: False.

REQUEST FOR VIEWS OF PROVINCIAL PREMIERS ON CHANGES IN UNEMPLOYMENT INSURANCE REGULATIONS

Mr. Edward Broadbent (Oshawa-Whitby): If the minister says this is false, he can get up and repeat that in his answer. Since his colleague had acknowledged that over 300,000 people will be affected by the change and was taking solace in the fact only 100,000 at any one time would be affected, as he said, would the minister now produce some statements to the House from the premiers of the Atlantic provinces, each and every one of whom is strongly opposed to these changes?

Hon. Donald S. Macdonald (Minister of Finance): The hon. gentleman is repeating the statement that the minister has given no indication of the programs coming into force. He made a speech on this question in the budget debate earlier this week. The leader of the NDP after making that kind of statement—

Mr. Broadbent: Nor will there be any programs before 1977.

Mr. Macdonald (Rosedale): —cannot continue to say that the government proposes to do nothing about it.

Mr. Broadbent: The minister made that statement on television.

Mr. Macdonald (Rosedale): It is a false statement that the leader of the NDP keeps repeating, which does not make it true by reason of the fact that he repeats it all the time. The fact is that the purpose of transferring the funds is to get at the priority group, the chronically unemployed in the Atlantic provinces, and indeed elsewhere in Canada, so they can continue to have a connection with the work force or can continue to have the opportunity. This is the priority of the government. I regret it is not the priority of the hon. gentleman.

Some hon. Members: Hear, hear!

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

Mr. Speaker: The hon. member for Champlain.

* * *

[*Translation*]

AGRICULTURE

REQUEST OF CONFIRMATION OF MEETING BETWEEN CABINET AND REPRESENTATIVES OF FARMERS' UNION

Mr. René Matte (Champlain): Mr. Speaker, in the absence of the Minister of Agriculture—apparently he is still cleaning up after the milk bath he got yesterday and since he missed the boat when he tried to solve the problem of the producers of manufacturing milk—I would like to ask the Acting Prime Minister whether he can confirm this morning that a meeting will be held on Tuesday next, according to the announcement made yesterday at the entrance of the Parliament Building, between the executive of the Quebec APU and the federal cabinet. Could the Acting Prime Minister confirm the holding of that meeting?

[*English*]

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, it is my understanding they will be meeting with certain ministers of the government.

SUPPLY AND SERVICES

LOCKHEED CONTRACT—REASON FOR NOT HAVING VERBAL COMMITMENT ON FINANCING CONFIRMED IN WRITING

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, my question is to the Minister of Supply and Services. The minister said in the House on May 28 that acting on the verbal agreement with Lockheed was a big mistake, but the Prime Minister indicated yesterday in his remarks that they did so on good faith based on this verbal agreement. Since the Prime Minister knew that the government took its formal action of sending the December 2 telegram to Lockheed based on the verbal agreement, will the minister say why the Department of Supply and Services permitted this December 2 telegram to be sent without making certain that the verbal commitment was confirmed in writing? Surely this is the sole purpose of the Department of Supply and Services.

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I hate to repeat myself but I already have stated many times in the House that I was not aware to this oral agreement.

LOCKHEED CONTRACT—KNOWLEDGE OF MINISTER OF COMPANY'S CREDIT POSITION

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, I have a supplementary question for the same minister. If the minister is so certain that Lockheed did make such a verbal commitment, about which he found out later, will he say whether he or his department were aware of Lockheed's credit agreement which prevented that company from borrowing more than $50 million, a fact which should have been well known to him or at least to his officials?

● (1130)

Hon. Jean-Pierre Goyer (Minister of Supply and Services): I think the hon. member should refer to the fact that I did not know about any oral agreement with Lockheed.

Mr. Bawden: How about their credit agreement?

Mr. Goyer: Of course, if I did know, it was because I did not expect that Lockheed was going to be asked to finance the program. This is very clear.

LOCKHEED CONTRACT—REASON COMPANY COMMITTED ONLY TO BEST ENDEAVOUR TO ARRANGE FINANCING

Mr. Peter C. Bawden (Calgary South): If the minister does admit that he finally learned there was a verbal agreement with Lockheed to cover the interim financing, will the minister say why in the final formal letter of commitment of March 31, which he tabled in this House, Lockheed is committed only to a best endeavour to arrange financing? Was the department or was the government at that point letting Lockheed off its verbal commitment? Was the government letting Lockheed off the hook at that point in time?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): The hon. member should change his prepared questions according to the answers he receives. The questions

start with the premise that I knew about this oral agreement before December 1. I did not.

Mr. Bawden: When did you find out?

* * *

NATIONAL DEFENCE

LOCKHEED CONTRACT—PROPOSED REFERENCE TO COMMITTEE

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my supplementary question is to the Minister of National Defence. Due to the apparent confusion, contradiction and evasion in this whole matter, which lead to a very genuine doubt on both sides of the House relating to the matter, I wonder if the minister would agree that a reference of this matter to the Defence Committee along with the authority to that committee to call, not only the ministers concerned, but also the key civil servants in this matter is now very definitely a requirement?

Some hon. Members: Hear, hear!

Hon. James Richardson (Minister of National Defence): Mr. Speaker, the hon. member must know that this subject has been examined exhaustively by the standing committee with officials present.

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BUSINESS OF THE HOUSE

SUGGESTED REFERENCE OF LOCKHEED CONTRACT TO PUBLIC ACCOUNTS COMMITTEE

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my supplementary question is to the government House leader. Because the civil servants who have been castigated in this matter have never yet had the public opportunity of defending themselves and the members of this House have never had an honest opportunity to get to the bottom of the matter—

Some hon. Members: Oh, oh!

Mr. Lawrence: —I wonder if the government House leader would agree that a reference of this whole matter to the Public Accounts Committee is now a very definite requirement.

Hon. Mitchell Sharp (President of the Privy Council): No, Mr. Speaker. As I said the other day, if the public servant in question has a grievance, there are ways that can be dealt with.

* * *

SUPPLY AND SERVICES

LOCKHEED CONTRACT—TYPE OF ASSURANCES FROM NATIONAL DEFENCE ON FINANCING BEFORE TELEX SENT

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, I would like to direct my question to the Minister of Supply and Services. Is it the position of the minister that the Department of National Defence on December 2 rejected the idea that there was a financing problem, and if so, would he tell the House what kind of assurance that department gave him which led him to send that telex?

[Mr. Goyer.]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I already answered that question previously today.

* * *

NATIONAL DEFENCE

LOCKHEED CONTRACT—BASIS OF MINISTER'S SATISFACTION NO FINANCING PROBLEM

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, in view of the reluctance or refusal to answer my specific question I would like to direct a question to the Minister of National Defence. Was the minister advised of the aide-mémoire of December 1, and if so, would he tell the House how he satisfied himself that there would be no financing problem? Does the minister have documentation to provide, or did he simply rely on wishful thinking?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, the discussions at that stage were between officials of both departments. There was very close interdepartmental co-operation at that time, and I have indicated to the House on earlier occasions that my officials were involved with the officials of the Department of Supply and Services in the forming of the telegram which went on December 2.

Mr. Hnatyshyn: A hell of a result.

LOCKHEED CONTRACT—SUGGESTED INFORMAL BRIEFING OF MEMBERS ON DETAILS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I would like to direct my supplementary question to the Minister of National Defence. In the light of his remarks a moment ago with respect to a formal reference to the Standing Committee on External Affairs and National Defence would he give consideration to an informal briefing of the members of that committee and the members of the Public Accounts Committee so that we might understand a little clearer the exact implications of the subject matter which is under discussion now?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I am prepared to appear before the standing committee at any time, as I have on a number of occasions, and I will go through the subject matter once again for any members who may wish me to do so.

BUSINESS OF THE HOUSE

PROPOSED REFERENCE OF LOCKHEED CONTRACT TO COMMITTEE ON EXTERNAL AFFAIRS AND NATIONAL DEFENCE

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I wonder then if I might direct the question first posed by the hon. member for Northumberland-Durham to the Acting Prime Minister. In the light of the reply of the Minister of National Defence just now would he either informally or otherwise cause the subject matter of this controversy to be referred, in the first instance, to the Standing Committee on External Affairs and National Defence?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I do not think it would be desirable to do that at the present time.

Some hon. Members: Oh, oh!

Mr. Sharp: It seems to me that there are two questions involved. There is the question of cross-examination of the ministers, and this is being carried out in the question period. It could be carried on on any opposition day that the opposition may wish to take for that purpose.

Some hon. Members: Oh, oh!

Mr. Sharp: As far as public servants are concerned, it seems to me that this is a case where the ordinary procedures which are provided by laws approved by this parliament should prevail.

Mr. Horner: Somebody has to protect the civil service.

* * *

[*Translation*]

AIR CANADA

SUGGESTION MINISTER FORCE COMPANY TO REVISE LANGUAGE POLICY

Mr. Serge Joyal (Maisonneuve-Rosemont): Mr. Speaker, my question is directed to the Minister of Transport.

Considering that the Board of Directors of Air Canada met on Wednesday, June 2, to review the language policy of the corporation so as to pattern it along the lines of the Official Languages Act, and considering that 500 Air Canada mechanics voiced their intention of joining the corporation's pilots so that the guidelines and conditions of employment they are subject to take into account the requirements of the Official Languages Act, can the Minister of Transport inform the House whether he and Air Canada representatives had the opportunity to re-examine the corporation's regulations with respect to the Official Languages Act and the language policy he announced in Montreal on December 15, last, and whether he intends, as minister responsible for Air Canada, to urge the corporation to review the working language policy under which the corporation's mechanics operate?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, this morning at nine o'clock the president of Air Canada issued a statement which reviewed the corporation's position and its endeavours to introduce the spirit of the official federal bilingual policy into Air Canada. He set out in some detail some of the difficulties and problems but also some of the steps which already have been taken and ones which will be taken. He certainly confirmed the view of the corporation that its obligation and objective is to incorporate the spirit of bilingualism, as known by this House, into its operations.

COMPANY POLICY WITH REGARD TO PILOTS USING PUBLIC ADDRESS SYSTEMS ON AIRCRAFT TO COMMENT ON BILINGUALISM

Mr. James Gillies (Don Valley): Mr. Speaker, can the Minister of Transport tell the House whether the management of Air Canada has any policy with respect to captains while on duty commenting about this problem which is now before parliament?

Hon. Otto E. Lang (Minister of Transport): Yes, Mr. Speaker, there have been several incidents in recent days of Air Canada captains or others using the address systems of airplanes for matters other than those necessary to the flights. Air Canada management has indicated to them that that is strictly contrary to policy and that their use of the public address systems on the planes is to be limited to matters necessary for flights.

Some hon. Members: Hear, hear!

* * *

EXTERNAL AFFAIRS

CANADIAN POSITION ON UNITED NATIONS RESOLUTION ON PROFITS FROM LAND SALES

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, I would like to direct my question to the Acting Prime Minister. My question is in connection with the Habitat Conference. Would the Acting Prime Minister explain to the House the government's position in rejecting the admirable proposal put before the conference by the U.N. Secretariat that profits from land sales be returned to the community, particularly when this surplus value arises from public improvements rather than private effort, and will he also explain to what extent the rejection of the U.N.'s position arises from the control of the Canadian delegation by a former land developer and a present land developer?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, if I may deal with that particular question, the instructions given to the Canadian delegation at the present time are that it should not accept in an unqualified way the proposal made by the Secretariat of the Habitat Conference. As the discussion continues at the conference the Canadian delegation will be able to make its position more clear and it does not represent an outright rejection of the principle that has been proposed by the Habitat secretariat.

● (1140)

POSSIBLE IMPOSITION OF LAND SPECULATION TAX

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, I do not know what could be any more of an outright rejection than the statement made at Habitat by the Canadian delegation that this is a matter of private profit and we are not going to interfere with the system. It seems to me they are taking a pretty conclusive position and it is quite contrary to the position taken by many other countries. I should like to ask the minister if the government is prepared to bring in a full capital gains tax, if not a speculation tax, in order to control profits from land speculation particularly in view of the government's own anti-inflation program in which they say they are trying to control costs, particularly land speculation costs which are one of the most blatant examples of what is wrong with the anti-inflation program.

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, that is obviously a budgetary matter.

ALLEGED OBJECTION OF FRANCE TO CANADIAN PARTICIPATION IN ECONOMIC SUMMIT MEETING IN PUERTO RICO

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is directed to the Minister of Finance. As it has been announced that Canada has been invited by the United States to a seven country economic summit meeting which will be held later this month in Puerto Rico and which is a follow-up meeting to the one held last November in Rambouillet, France, would the minister indicate the basis of France's objection to our participating in the Puerto Rico meeting and to whom were the objections made?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the Secretary of State for External Affairs in his own inimitable way has been following this issue and perhaps he might like to respond. It is not a budgetary matter.

Mr. Fairweather: You two are better than the other two, I can tell you that.

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, there have been no communications between the government of Canada and the government of France with respect to the position the latter may have taken concerning Canadian attendance at the economic summit in Puerto Rico. The invitation to Canada was extended to the Prime Minister by the President of the United States and we believe our presence is justified because of the natural significance of Canada as a member of the industrialized community.

REASON CANADA NOT INVITED TO ECONOMIC SUMMIT MEETING AT RAMBOUILLET FRANCE

Mr. Sinclair Stevens (York-Simcoe): A supplementary question, Mr. Speaker, this time to the Secretary of State for External Affairs. Now that we have received an invitation to the meeting in Puerto Rico which the minister indicates we are justified in receiving—and I agree—would he indicate why we were not invited to the Rambouillet meeting last November, bearing in mind that it appears rather inconsistent that we should now be invited to the follow-up meeting after having been snubbed at the original meeting in France?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, my conclusion is that the international community has recognized that Canada has a rightful place at a meeting of this kind. I regard this present invitation as an acceptance by all members of the international community that Canada should be invited. It is certainly a step forward from the situation that existed at Rambouillet.

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[Translation]

AIR TRANSPORT

KNOWLEDGE OF MINISTER OF MR. KEENAN'S POSITION ON BILINGUALISM BEFORE APPOINTMENT

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to put a question to the Minister of Transport.

In view of certain statements in some newspapers concerning the appointment of Mr. Keenan to the effect that as the union's adviser, he had distinguished himself with his most virulent campaigns against bilingualism while serving the air pilots' union, would the Minister of Transport advise whether, before appointing Mr. Keenan, he had conducted an inquiry or was aware of his actions, and if so, why did he appoint him?

[English]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I was aware of the fact that on several occasions Mr. Keenan had acted as counsel for CALPA, the pilots' association. I was also satisfied that he was qualified in terms of his knowledge of air matters, and legal matters associated with them, and that he was a very reasonable person who could approach this issue in a completely unbiased fashion, so there would be no impact upon his work from this previous association with CALPA.

[Translation]

REQUEST FOR APPOINTMENT OF FRENCH-SPEAKING MEMBER TO KEENAN COMMISSION

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to ask a supplementary question.

In view of the circumstances, it seems that the association of French-speaking pilots has serious doubts as to the impartiality of this commissioner. Would the minister, to give this inquiry all due credibility, review his decision and appoint also a French-speaking associate commissioner so as to meet the objective he has set for himself?

[English]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I am not at all persuaded that there has been any argument which would lead to that as an appropriate

conclusion. The suggestion has been made, and on occasion it has been put in terms of a desire, to appoint a Francophone to the commission. I think it should be understood that Mr. Keenan is in fact fluently bilingual—and I mean completely and fluently bilingual. Indeed, I think if one were to do a blood test he is more Francophone than Anglophone in blood, if you are going to follow it that way. I hope the hon. member is not such a chauvinist as to suggest that it makes a difference if it is the father of his father who was Anglophone and only the mother of his mother and the mothers of his mother and father who were Francophone.

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SOCIAL SECURITY

INCOME SUPPLEMENT PROGRAM—DATE OF INTRODUCTION—POSSIBILITY OF PROCEEDING UNILATERALLY

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. The minister told a press conference following a two day meeting of federal-provincial health ministers that the federal government is determined to introduce an income supplement program and is prepared to do it unilaterally. A number of provinces have admitted that they cannot support the cost of such a program by 1978. Would the minister advise the House if the federal government is firmly committed to the introduction of such a program before 1978?

Hon. Marc Lalonde (Minister of National Health and Welfare): No, Mr. Speaker.

Mr. Darling: A supplementary question. Will the minister further advise the House if he has received full cabinet support for a unilateral introduction of an income support scheme? If this is the case, can he indicate with any precision when such a program will be in place?

Mr. Lalonde: Mr. Speaker, I shall be quite pleased to send the hon. member a copy of the communiqué of the conference, a transcript of my press conference and photocopies of the press report on the subject—and my picture, too, if he wishes. He will find that nowhere did I say that I or cabinet had decided to proceed unilaterally. I quite clearly indicated that the government was committed to the support of the working poor in this country, that this was an area in the field of social security which had not been covered up to now; and that there was a real need to look after the working poor better. Our social security system should have a program with incentives to work, a factor which it does not have at the present time.

I then said that the preferred option of the government was to proceed on a cost-shared basis developed jointly with the provinces. Seven provinces out of ten endorsed the proposal in principle, two did not pronounce themselves; one, the province of Ontario, objected to the plan. As far as the government is concerned, we prefer to proceed on a joint shared basis on this one. If the provinces eventually come to the conclusion that they cannot or will not proceed on a cost-shared basis, I stated that we would have to seriously consider proceeding unilaterally but I did not say that we would.

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PUBLIC SERVICE

ALLEGATION TREASURY BOARD MAKING REPRESENTATIONS TO ANTI-INFLATION BOARD WITHOUT INFORMING PROFESSIONAL INSTITUTE

Mr. John A. Fraser (Vancouver South): Mr. Speaker, my question is for the President of the Treasury Board. It concerns the Professional Institute of the Public Service and the agriculture group arbitral award which came down on April 13. The President of the Treasury Board made representations with respect to that particular award and on May 20, the Anti-Inflation Board gave the Treasury Board its decision without communicating in any way with the institute. Can the minister advise why the Treasury Board is apparently making separate and secret representations to the Anti-Inflation Board without ensuring that the institute has an equal opportunity to be heard?

[*Translation*]

Hon. Jean Chrétien (President of Treasury Board): Mr. Speaker, I am not aware of that particular incident. However, I will seek information and report to the hon. member.

Mr. Munro (Esquimalt-Saanich): It is the second incident.

Mr. Chrétien: Mr. Speaker, we at Treasury Board have to negotiate with the unions, but at the same time the Parliament of Canada has voted a legislation which determines the levels of salaries that must be paid to all employees—

Mr. Munro (Esquimalt-Saanich): They should be informed.

Mr. Chrétien: —and if the board contacts one of the parties, I may have no knowledge of that because I am only one of the two parties. The board therefore must face its responsibilities.

● (1150)

[*English*]

ALLEGATION OF DOUBLE COUNTING IN COMPUTING TOTAL COMPENSATION OF EMPLOYEES

Mr. John A. Fraser (Vancouver South): Mr. Speaker, the President of the Treasury Board is probably aware that Treasury Board has been computing total compensation by double counting of holiday time and other matters. This is a serious area of dispute between the institute and Treasury Board. Can the minister now say to this House that he will ensure that this error in computing is brought to the attention of the Anti-Inflation Board so that board is not confirming or making decisions with incorrect facts as to the computation of total compensation?

Hon. Jean Chrétien (President of Treasury Board): Mr. Speaker, when I was in Toronto not long ago, I met with the leaders of the unions. We discussed that fact. We were

making the calculation based on the requirement of the Anti-Inflation Board. We had some discussion with the AIB on that and I understand they have changed their ruling. This is why we have been able in some cases in the past week to make a better offer. Previously, it was not our way calculating but the way the AIB was forcing us to calculate the increase.

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[*Translation*]

AGRICULTURE

DAIRYING—REQUEST FOR MORE EQUITABLE DISTRIBUTION OF PRODUCERS' QUOTAS

Mr. Yvon Pinard (Drummond): Mr. Speaker, I wish to put a question to the Parliamentary Secretary to the Minister of Agriculture.

Further to an increase of $86 million under the dairy policy of 1976-77, the amount allocated to this sector just passed from $535 million to $621 million, and considering that about 48 per cent of the industrial milk producers come from the province of Quebec, does the minister have some authority in this field? If so, is he ready to take action to insure a fairer distribution of the quotas, to suppress the monthly quota and to encourage a stronger representation of the industrial milk producers on the Canadian Dairy Commission and the management committee?

Mr. Irénée Pelletier (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, when the minister appeared before the agriculture committee he said he was prepared to meet the producers to discuss this matter.

* * *

[*English*]

TRANSPORT

POSSIBILITY CANADIAN NATIONAL RAILWAY WILL TAKE OVER BRITISH COLUMBIA RAILWAY

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, my question is to the Minister of Transport. As a result of the chronic difficulties experienced by the B.C. Railway with management, labour and financing, have there been discussions with the province of British Columbia or between the CNR and the province of British Columbia in order to work out an arrangement by which CNR could assume ownership of that railway?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I know of no such discussions. The subject matter did come up on one occasion when I happened to be with the premier of British Columbia, but not in a serious way. I do not know if the matter has been followed up.

Mr. Oberle: As the railway only operates about 50 per cent of the time because of the difficulties I have mentioned, is there any way by which the Department of Transport or CNR can intervene in order to save some of the key industries in that part of the country such as the wood fibre industry and the energy industry which are dependent on this railway to bring their products to market?

Mr. Lang: Mr. Speaker, at the present time it is a matter within the jurisdiction and control of the government of British Columbia. I indicated there have been no discussions that I know of pursuing an alternative arrangement. I should say to the hon. member that if British Columbia shows any real interest in such alternative arrangements, I am perfectly willing to discuss it.

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ATOMIC ENERGY OF CANADA

ACCIDENT TO TRUCK CARRYING URANIUM 235 AND STRONTIUM 89—GOVERNMENT ACTION TO ASSURE SAFETY

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I wish to address a question to the Minister of Energy, Mines and Resources. At 5:30 a.m. on June 2 on Highway 17, an AECL truck carrying a 6,700 pound cannister of solid uranium 235 overturned in a single car accident, following which the driver was charged. Is there any review being made with regard to the condition of drivers before they get into their trucks so that we can avoid this hazardous transportation of radioactive fuel?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I am not in a position to make a judgment on the condition of the driver. I am in the position of being able to say that the driver, Mr. Gallagher, escaped without serious injury. The shipping flask containing the radioactive material remained secured to the truck bed and was not damaged. An instrument check confirmed that there was no leakage of radiation. The container was transferred to another truck for onward transport to AECL's South March plant. This unfortunate incident was quickly remedied and the radioactive material which was going forward for processing into medical supplies continued on its way very quickly.

Mr. Dick: Also on board that truck was a further package carrying strontium 89, a radioactive material, which was in a glass vial and packed in a styrofoam and plywood box. Can the minister advise whether that is sufficient safeguard? I might say that the second package was added to the truck at the last moment.

Mr. Gillespie: Mr. Speaker, I have been informed that there was no danger to public safety in the transporting of these materials.

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ENVIRONMENTAL AFFAIRS

CONCENTRATION OF DANGEROUS CHEMICALS IN GREAT LAKES—GOVERNMENT ACTION TO ELIMINATE

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, in the absence of the Minister of the Environment, I will put my question to his parliamentary secretary. In view of the fact that over $280 million has been spent by the Great Lakes Water Quality Program with

little or no progress, as outlined in the latest report by the International Joint Commission, and because of the high density presence of dangerous chemicals such as PCB and others which continue to increase in large quantities and at least one of which is known to cause cancer, can the parliamentary secretary explain to this House how and why these dangerous chemical concentrates were allowed to reach this present unacceptable level and, more important, what immediate steps the government intends to take to eliminate these and future dangers which potentially could affect over 30 million North Americans living around the Great Lakes?

Mr. George Baker (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, the hon. member has noted the report. He should note that as far as the presence of PCB's in the Great Lakes is concerned, four times the amount that comes into the Great Lakes from waste water systems in Canada comes from the air. That is a very important point. We as a government can make restrictions on non-electrical uses of PCB's and, in the future, a no-use of PCB's even for electrical uses. That is fine, Mr. Speaker, but when you look at the total amount of PCB's in the Great Lakes, the amount that falls from the air is of great importance. It take two to tango and the United States, as the report shows, is the greatest polluter.

Mr. Speaker: Order, please.

Mr. Jelinek: Mr. Speaker, I thank the parliamentary secretary for his speech, even though it did not relate to my question. In view of the seriousness of this matter, I will direct my supplementary question to the Acting Prime Minister. In view of these potential dangers that now exist in the Great Lakes, and because of the sluggish progress being made by the International Joint Commission, can the Acting Prime Minister advise this House whether the government would consider or is considering the introduction and implementation of far stiffer penalties to industries and municipalities which continue to dump new types as well as old types of pollutants into our rivers and lakes?

Mr. Baker (Gander-Twillingate): The answer is yes, Mr. Speaker, we are considering it.

Some hon. Members: Hear, hear!

* * *

● (1200)

EXTERNAL AFFAIRS

ALLEGED CONDEMNATION OF CANADA'S NUCLEAR POLICY AT HABITAT CONFERENCE—POSSIBILITY OF CHANGE

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. It concerns the statements made by the Co-chairman of the Symposium on Development, Maurice Strong of Petro-Can, and Barbara Ward in which both condemn Canada's nuclear policy. In view of these statements by these eminent persons, and in view of the growing feeling at the Habitat Conference in condemnation of Canada's nuclear policy, would the minister advise us whether any active task force is presently reviewing that policy and whether the House can expect recommendations in the near future concerning a change in that policy having regard to the world-wide condemnation it has evoked.

Hon. Allan J. MacEachen (Secretary of State for External Affairs): I differ from the hon. member's assumption that the Habitat forum singled out Canada for particular reference. What I understood was that the forum called for a moratorium on the transfer of nuclear technology. I believe the forum ought to set itself more achievable objectives than objectives which at the present time are unattainable internationally.

POSSIBILITY OF CANADA REQUESTING MORATORIUM ON NUCLEAR SALES AT SUPPLIERS' CONFERENCE

Mr. Stuart Leggatt (New Westminster): I understand at the present that Canada is meeting in London with other members of the nuclear suppliers group. Are any specific proposals being made by the Canadian representatives at that meeting for a moratorium applicable not only to ourselves but to other suppliers until there is better agreement on this subject?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): No, Mr. Speaker. I have already stated that in my view such a goal is unachievable.

Mr. Broadbent: Mr. Speaker, I rise on a question of privilege having to do with a statement made earlier in the House by the Minister of Finance. I can well understand the minister trying to weasel out of the implications of his own budget with particular reference to the harm it will do to the unemployed in Canada, but I cannot accept his imputation that I uttered a falsehood in the House of Commons. I said earlier in the question period—and I repeat—that the government has not indicated that it has programs ready to create new jobs with specific application to the changes made in the Unemployment Insurance Act. This meant, now—this year.

Further, I said that the Minister of Manpower and Immigration, speaking on television the other night, stated that such programs would not be forthcoming until next year. If I remember more precisely, he referred to January, 1977. I call upon the minister to reconsider his comment—the imputation that what I said was a falsehood. He should be defensive about his budget, but he should not accuse people on this side of the House in a way which questions their honesty, when in fact I was repeating statements made by his own colleague.

Mr. Macdonald (Rosedale): Mr. Speaker, the Minister of Manpower and Immigration, both inside the House and outside it, has stated at some length that he will be presenting programs additional to those already proposed for the purpose of dealing with direct employment measures and further retraining, together with other measures of that kind, as set out in his speech. I suggest to the hon. member that he read the speech as a start. When the hon. member says that the Minister of Manpower and Immigration has not put that position forward in the House, I say that is a false statement.

Mr. Broadbent: I said for this year.

Mr. Macdonald (Rosedale): The next question is whether the leader of the NDP is deliberately misleading the House and attempting deliberately to mislead the country by what he is saying, or whether he is saying it because he does not know any better. We do have a parliamentary custom in this country, according to which I have to assume he is not deliberately trying to mislead the House. Because of that custom, I must assume he is saying it because he does not know any better. In any case, it does not matter what his motives are: I accept that he is just uninformed.

Mr. Speaker: Order, please. Rather than a pure question of privilege, this seems to be something of a disagreement between two members and perhaps the matter can be pursued in some other way.

Mr. Fairweather: I rise on a point of order, Mr. Speaker. I cannot think of any other avenue through which to raise the matter of the extraordinarily excellent police services which were provided yesterday.

Some hon. Members: Hear, hear!

Mr. Fairweather: I believe most people would be impressed by the coolness and the efficiency of the protective staff, the RCMP and the Ottawa police.

Some hon. Members: Hear, hear!

Mr. Fairweather: This in no way judges or prejudges the merits of the case the demonstrators were putting before the government.

Mr. Speaker: With respect to the point of order just raised by the hon. member for Fundy-Royal, may I say that were it not for the fact that I bear ultimate responsibility for that force and, indeed, for all those who serve in the House of Commons on a regular basis in connection with our security, I would have made a similar comment. However, I thought that if I made it from the chair it might appear to be a little self-serving.

However, I may say I was impressed by the quality of the performance yesterday, in very trying circumstances, by the Sergeant-at-Arms who is responsible for the security in this building and, indeed, by the RCMP special force which he called into play, a force which seemed to me to act with dignity and tact in most difficult circumstances. They deserve to be congratulated.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order with respect to something which occurred during the question period today. I refer to the difficulty which seems to be apparent, and the mud in the sense of the lack of clarity in the government's position with respect to the knowledge of the Minister of Supply and Services in this whole matter. I do so, and I hope the President of the Privy Council will accept it in this way because what is happening here is that the government's refusal to answer the request of the hon. member for Northumberland-Durham and the hon. member for Dartmouth-Halifax East is affecting the operations of the House of Commons. Moreover, what has occurred during the last few days has affected the very important relationship which ought to exist between the government and the public service. I rise on this point of order because the President of the Privy Council was himself a public servant and ought to be aware of the situation. Therefore, I hope he will consider what I propose to deal with by way of a point of order.

The facts of the case thus far—at least those which are ascertainable—are that on December 1, 1975, the Minister of Supply and Services received an aide-mémoire from his deputy minister which dealt with a number of things, but particularly with financing.

Some hon. Members: Order.

Mr. Baker (Grenville-Carleton): The aide-mémoire said that the cash flow requirement—

Mr. Speaker: Order. I am, of course, presuming that the hon. member intends to proceed to the point of order as quickly as possible, and I should like to have the opportunity of hearing him do so.

Mr. Baker (Grenville-Carleton): The aide-mémoire said that the cash flow requirements for the most cost-effective production schedule exceeded the amounts that DND could provide in the early years of the contract. That is a quotation from a memorandum to the minister, from the deputy minister, on December 1, 1975.

Some hon. Members: Prove it.

Mr. Baker (Grenville-Carleton): Yet when he answered on March 29, 1976—

An hon. Member: Do you have any gum-shoes?

Mr. Baker (Grenville-Carleton): The hon. member for Winnipeg South Centre put a question to the minister as follows:

> In an effort to clear up the confusion surrounding this contract once and for all, I should like to ask the minister whether he was aware that the Department of National Defence had only $30 million available to start production of the LRPA, and was he aware that Lockheed had made a verbal agreement with DND to provide the interim financing itself?

The minister's answer on that occasion was "No." My point of order is this. Either through inadvertence or otherwise—and I would like to adopt the words of the Minister of Finance a few moments ago and say it was inadvertence—it may be that the minister does not know there has been this contradiction in the record or does not understand what the facts may be—there is a contradiction on the record. I think it important to the operation of the House that that question be cleared up.

● (1210)

The Minister of National Defence, in answer to a question put to him by the hon. member for Dartmouth-Halifax East, indicated his willingness to appear before the appropriate standing committee of the House of Commons. I presumed that that willingness of the minister extended not just to himself but to the public servants involved. In order to clear this matter up completely, I hope the Minister of Supply and Services would express the same kind of

willingness to appear before that committee with his officials to answer questions. One of those officials would be Mr. Stopforth, whose reputation as a public servant has been impugned and who, despite the statements by the President of the Privy Council, has really not had an opportunity to defend himself. It is not enough to say that he has remedies under access to the courts. If I may just make one further small point, Mr. Speaker—

Mr. Speaker: It is a very interesting argument, but I am in fact having great difficulty in seeing where the hon. member for Grenville-Carleton is establishing anything to do with what is a potential or an actual point of order. It is a very interesting point of debate, a matter that may require further urging and questioning, and I do want to let the hon. member have the opportunity to develop what might be a fundamental point of order. However, unless some aspect of it has not been developed so far, I would urge upon him that he has a point for debate, a point for discussion, rather than a point of order.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I will do my best to satisfy Your Honour on that score; and if I cannot, then I cannot. However, the issue is important, and it becomes doubly important because information has been given to me that the deputy minister of supply and services has asked Mr. Stopforth to resign. Mr. Stopforth has refused to resign. On the basis of the question that I raised a few days ago in connection with cabinet responsibility and the importance of a cabinet minister not being allowed to impugn the reputation of a public servant, I contend this is a matter of order in this House of Commons—surely here, if nowhere else.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): I believe that this matter—

Mr. Speaker: Order, please. In fairness, the hon. member will surely realize that he is dealing with a matter of substance. It may be a matter of great substance, but nevertheless it is a matter of substance, not a matter of procedure. We have to be careful, if we are to adhere to the procedures of the House, to see that an argument on a point of order is confined to the procedures of the House. The hon. member is arguing a question of substance, not a matter of procedure; it is a matter that does not directly relate to the orders of the day, to the business of the House, to business that is to follow today. As I say, it may be a matter for a substantive motion if the hon. member feels strongly about it, but I am not able to ask other hon. members to debate the merits of the hon. member's case. In my view, it would only be prolonging a matter that has been dealt with in questions today. I would respectfully suggest that the hon. member is not raising a point of order, and that the matter should be left there.

Mr. Cossitt: Mr. Speaker, I rise on a point of order. I would say at the outset, most respectfully to the Chair, that I would not want it in any way to be interpreted that I am questioning the ruling of the Chair; this I am not doing. I wish to rise to seek clarification from the Chair as to why it was out of order for me, under the provisions of Standing Order 43 earlier this day, by way of a motion, if the House had permitted me to introduce the motion, to ask the Minister of Manpower and Immigration and the Solicitor General, who is responsible for the RCMP, when charges would be laid against certain members of the head office staff of the Unemployment Insurance Commission of Canada for taking part in a gigantic fraud of the Unemployment Insurance Commission, which to date has uncovered the fact that in the Ottawa office alone over $100,000 of taxpayers' money has been embezzled.

I felt that I was bringing out a matter of urgent and pressing necessity, one that involves taxpayers' money. Obviously, the matter is of a very serious nature, and in view of the fact that it is reported to extend to a number of other officers across the country and to have very serious implications over and beyond, such as what the money which has been obtained in this defrauding process has been used for, I felt it was of urgent and pressing necessity. I really rise to ask clarification as to why the raising of such a matter is not considered in order.

Mr. Speaker: Order. I do not disagree with anything the hon. member said in his point of order. He did, in fact, raise a subject that does not in any way disqualify itself from being treated under Standing Order 43. But what the hon. member did, as other hon. members have done recently, was to go on to add to his brief statement of the urgency of the matter, a matter of controversial information, a matter involving discussion, disagreement and debate. I have indicated that when an hon. member goes beyond the limits of explaining the urgency of the matter and goes into matters of debate and disagreement, then he ought not to proceed. I asked the hon. member to desist from that, but the hon. member then went on to put further matters of controversial information and it was at that point that I felt he should be stopped.

Mr. Hnatyshyn: Mr. Speaker, on a question of privilege, I would draw Your Honour's attention to remarks directed in the House yesterday in the course of debate by the hon. member for St. Boniface. I have—

Mr. Speaker: Order, please. The hon. member says he is referring to proceedings which took place yesterday and he proposes to develop a question of privilege based on them. To my knowledge, I have had no notification from him, as required under the Standing Order, so I cannot accept a question of privilege at this time unless it arises out of today's proceedings.

Mr. Hnatyshyn: Then I rise on a point of order, Mr. Speaker.

Mr. Speaker: The hon. member for Saskatoon-Biggar is rising on a point of order.

Mr. Hnatyshyn: Mr. Speaker, this is a question of privilege that affects the rights and privileges of all members of the House. It has only now come to my attention, and at the first opportunity I want to bring it to Your Honour's attention. It has to do with certain admissions made by the hon. member for St. Boniface respecting his activities in the House. I should like to have the opportunity of giving Your Honour the basis for my question of privilege which, as I say, only came to my attention a few moments ago as a result of certain answers.

Mr. Guay (St. Boniface): You were not even here.

Mr. Speaker: Order. I feel somewhat helpless. The Standing Order and the practice of the House clearly require that, if a question of privilege is to be raised with respect to the previous day's proceedings, some notification must be given to the Chair. If it relates to a matter that came about today and no notice is therefore possible, then that is a different matter. But the hon. member is raising a question relating to a previous proceeding. If the hon. member sought to raise it today by way of a question of privilege, then the Chair would have to have been notified. The fact that the matter has just come to his attention at this moment, if I accept it, could always be used by a member to circumvent the provision of notice to the Chair of a question of privilege. I am not particularly happy about it, but in the circumstances I feel helpless to assist the hon. member.

ROUTINE PROCEEDINGS

[*English*]

EXTERNAL AFFAIRS

FISHERIES—EXTENSION OF CANADIAN JURISDICTION TO 200 MILES OFFSHORE

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I stated in the House on May 18 that information concerning the position which Canada will take at the forthcoming ICNAF meeting would be conveyed to the House. Our position at the ICNAF meeting cannot be discussed separately from our position on extended Canadian fisheries' jurisdiction to 200 miles. I wish to make a statement on both these issues and to announce today the government's decision to extend the fisheries jurisdiction of Canada out to 200 miles from the coast.

Some hon. Members: Hear, hear!

Mr. MacEachen: Implementation of this decision under existing Canadian legislation will come later this year, and in any event will be in place by January 1, 1977. The state of our fishery resource and the situation of our fishermen, of our fishing industry, and of our coastal communities, make this action imperative. There will be no fishery resource left to protect if action is not taken now, because the fish stocks will be so depleted as to disappear as a resource of commercial significance. Not only the fish, but our Canadian fishermen too are an "endangered species", as I have heard them describe themselves.

● (1220)

The protection of Canadian interests is of concern to us as a result of the extension of U.S. fisheries jurisdiction in March, 1977. Mexico, our other neighbour on the North American continent, has left compelled to act and has recently adopted legislation to bring about an extension of jurisdiction to 200 miles.

[Mr. Hnatyshyn.]

The government last year instructed Canadian officials to conduct bilateral negotiations with major fishing states operating off the Canadian coast regarding the terms and conditions that Canada will apply when permitting foreign fisheries in respect of any resources surplus to Canadian harvesting capacity within Canada's 200-mile zone. Agreements have been signed with Norway, Poland and the U.S.S.R., as well as *ad referendum* agreements with Spain and Portugal, in addition to the agreement with France entered into in 1972. These various agreements, when they are all in place, will cover major foreign fisheries off Canada's Pacific coast and more than 88 per cent of the foreign catch in that part of the ICNAF convention area to be incorporated within Canada's 200-mile zone. They will provide for a smooth transition to the new régime of extended Canadian fisheries jurisdiction.

There will be a continuing need, following extensions of fisheries jurisdiction by coastal states, for multilateral fisheries co-operation. New multilateral arrangements will be needed to bring the International Commission for the Northwest Atlantic Fisheries—ICNAF—and other fisheries conventions into line with the new jurisdictional realities. The instructions to the Canadian delegation to the ICNAF meeting in June have been formulated on the basis of Canada's decision to extend its fisheries jurisdiction by January 1, 1977. The delegation has been instructed to make clearly known to other delegations Canada's intention regarding extension of jurisdiction and possible future multilateral arrangements for the northwest Atlantic.

We will also give notice to other nations fishing off our coast that conservation and management measures for 1977 will be established by Canada to provide for effective protection and rebuilding of the stocks and must ensure, within such conservation limits, that the needs of Canadian fishermen are satisfied. At the same time, we are prepared to commit ourselves, as we already have in the bilateral agreements, to allow other nations to fish in Canada's 200-mile zone for stocks surplus to Canada's harvesting capacity, and to carry out appropriate consultations with such countries in the development of regulations within the zone. We are prepared to co-operate with other nations in this way, but in return we expect their co-operation in achieving our objectives.

I wish to emphasize that the government will in no way abandon its deep commitment to reaching multilateral solutions to problems of the Law of the Sea in general, and fisheries in particular. We will continue to work within the UN conference on the Law of the Sea to reach agreement not only on fisheries but also on the other vital and difficult issues facing the conference, issues such as the establishment of an international authority for the management of the resources of the deep seabed and ocean floor which constitute the "common heritage of mankind"; the preservation and protection of the marine environment, including the Arctic; and the breadth of the territorial sea and the other related question of passage through straits used for international navigation. These issues must find an early multilateral solution.

We knew from the outset that the spring session of the Law of the Sea conference in New York could not achieve final agreement on a new convention. At least one more session will be necessary for this purpose, and the confer-

ence will convene again in New York from August 2 to September 17. We hope it will succeed, but must anticipate that even then there would still be formalities to be concluded. I said at the United Nations General Assembly last fall, then at the Law of the Sea conference in New York, and most recently in the House of Commons, that 1976 must be the year of decision for the conference. I wish to make clear here and now that 1976 is also the year of decision for Canada's extension of fisheries jurisdiction out to 200 miles.

The decision I am announcing today to extend Canada's fisheries jurisdiction does not constitute unilateral action that either leaves no room for negotiation or ignores the interests of other countries directly concerned. It is action for which we have carefully prepared the way through both bilateral and regional negotiations within ICNAF and within the multilateral framework of the Law of the Sea conference. It is action based on a growing consensus among nations, a consensus which is increasingly finding its way into state practice and is reflected in the provisions of the single negotiating text that emerged from last year's session of the Law of the Sea conference in Geneva and has been confirmed in this year's revised text. It is action that is based on Canada's obligation as a good steward or custodian to protect and preserve a perishable resource which is increasingly threatened with depletion while growing in importance as a source of food for the world at large. It is action that will ensure the fishery resources off the Canadian coast can be managed wisely for the benefit of Canadians and, indeed, of the entire world.

In conclusion, Canada is better prepared than perhaps any other country for extension of fisheries jurisdiction. Since the amendment of the Territorial Sea and Fishing Zone Act in 1970, we already have the necessary enabling legislation for establishment of the 200-mile limit and, after giving statutory notice, need only promulgate an order in council. That order in council will be promulgated at an appropriate time this year so as to have the 200-mile limit in place for January 1, 1977. We have also completed the necessary technical preparation. We have already concluded much of the necessary negotiation with the major distant-water fishing states concerned. Above all, we have the expertise and determination to carry through and implement our extended jurisdiction in an effective way, without rancour, without confrontation and without prejudicing the hope we share with the world that a multilateral solution to fisheries problems can ultimately be found, even while states take the national measures of protection that are so urgently needed.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I have listened attentively to the minister and would like to congratulate him for finally making this most welcome announcement concerning Canada's extention of its limit to 200 miles. The Progressive Conservative party has long advocated a 200-mile limit, and it is good to see the government finally following suit. I should like at this time, also, to thank the minister for the courtesy he has extended the official opposition by making a copy of his statement available prior to its presentation in the House, a practice that I would suggest might well be followed by other ministers of the Crown in making important national statements.

The minister has rightfully pointed out that "the state of our fishing resource and the situation of our fishermen, of our fishing industry, and of our coastal communities make this action imperative". There will be no fishery resource left to protect if action is not taken now, because the fish stocks will be so depleted as to disappear as a resource of commercial significance. There is nothing I could do to condemn more adequately the inaction of the government in this important matter to date than by referring to a similar statement by a previous Liberal minister, as follows:

> Now we are engaged in an even bigger enterprise; one which will have the support of at least two-thirds of the membership of the UN; one which will almost certainly carry the day at the next Law of the Sea conference; one which will bring practically all of our offshore fish stocks under Canadian control.

This was a statement by Jack Davis on May 23, over three full years ago. Naturally, our party and the Canadian people wonder what caused this delay, for because of this delay the Canadian fishermen, the Canadian fishing industry and the Canadian economy as a whole have suffered heavily. Now, the fishermen—certainly those in Atlantic Canada—are adopting a "wait and see" attitude. "We will believe it when we see it", seems to be their view, and this is understandable. In 1972, for example, total fish landings in Canada were 2,258 million pounds; in 1973, they were 2,190 million pounds, in 1974, 1,839 million pounds; and in 1975, 1,578 million pounds—or a full 30 per cent decrease from 1972 figures. For particular species such as redfish, the situation is even worse. The redfish fishery is near a state of collapse, producing a situation pitting Canadian against Canadian, because certain areas of the Gulf have been closed to certain Nova Scotia and Newfoundland fishing vessels. As a result, we have had to go begging to the Russians for part of their redfish quota. This would not have happened if we had declared a 200-mile limit earlier.

● (1230)

The minister also has said that the bilateral agreements will provide for a smooth transition to the new régime of extended Canadian fisheries jurisdiction. But do they really? I have pointed out previously in this House that the wording of the recent Canada-U.S.S.R. fishing agreement is not clear as to what extent Russia would recognize or even obey a Canadian directive, especially if it was directed to fish for less quota. The Minister of State for Fisheries (Mr. LeBlanc) recently signed an agreement in Moscow which gave to the Russians an increased quota in caplin in exchange for some of the redfish quota which they presently have. But I would remind the House that the redfish quota given up by the Russians was not on the Soviet shelf but was on our own shelf. I would also remind the House of a fact which seems to be ingored by the present government, namely, that there is some order in the food chain and that the caplin quotas should have been reduced rather than increased because caplin is the food stock for all our groundfish species. If our groundfish stocks are to be rebuilt, we must make those original food stocks available in the food chain.

This raises another matter. The Department of Fisheries officials, ICNAF officials and the Fisheries Council of Canada—in fact, almost everyone but the Minister of State for Fisheries—have asserted that Canadian fishing

research is less than adequate. We do not know the breeding patterns of most fish species, nor how much fish there is within the 200-mile limit, nor how much fish should be caught. Presently, we rely to a great extent on the fisheries research of other nations. The Fisheries Council of Canada has decried this fact. The fishing industry on the east coast has offered to take scientists, free of charge, out on their boats to conduct research and, on the west coast, the Pacific Trawlers Association has offered additional funding to the department for its research program. Both offers were refused. What sort of attitude is this?

By his actions, the minister has allocated quotas and allowable fish catches without knowing the quantity of the stocks available. I say that one of the most important steps now required is an increase in fisheries research. We must formulate discussions with the industry on our long-range fisheries goals and plans for management of all marine stocks off our coasts. We need an increase in personnel, equipment and facilities in order to do this work, and wherever possible this work could, and should, be done from Canadian commercial fishing ships. Only in this way can we be assured that the stocks will be rebuilt. Unless this happens, the 200-mile limit declaration, which should offer a challenge, only becomes an illusion. The announcement is welcome, but it is only a beginning—just one small step. There is much more to be done before the Canadian fishery can recover and regain its former good health.

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, we too, in the New Democratic Party welcome the announcement today. It is better late than not at all. I should like to say that in spite of the myriad problems facing our fishermen on both coasts, the announcement of a 200-mile limit—which has long been advocated by the fishermen of the west coast—will go some distance toward assisting us in the protection of our stocks. However, I cannot unreservedly be congratulatory with respect to the 200-mile zone from the point of view of the Pacific coast. First of all, we have some very serious problems on the Panhandle in negotiating catches with the United States. We have some very serious problems in terms of interception of salmon on the coast. These problems need more active attention by this government. They must be resolved, and until they are the 200-mile declaration can be quite empty and useless.

The position Canada has taken at the Law of the Sea conference for a long time has been a 200-mile zone or the continental margin. On the east coast, only a Liberal fishing policy, it seems to me, could have put the "Greenpeace" organization in the same camp as the Fishermen's Union of Newfoundland. Amazingly enough, they are now both together in opposition to the kind of Liberal fishing policy this country has seen. In view of their great differences over sealing, it would be only a Liberal policy which would bring those two together. Amazingly, it has done so.

On the east coast, the Hamilton Bank, the George's Bank and the Grand Bank portions of those major fishing areas are outside the 200-mile zone. Canada's position at the Law of the Sea conference was not 200 miles; it was 200 miles or the margin, whichever is the farthest. I think it is amazing that the minister today can introduce this statement without giving a single explanation of why the declaration did not include the margin on the east coast. Surely he has a

[Mr. Crouse.]

duty to this House to explain the discrepancy between the position taken by Alan Beesley and the fine Canadian delegation at the Law of the Sea conference and the position this government is now taking which is inconsistent with that position.

I hope the minister will spend a good deal of time in the question period trying to satisfy the House about this most serious discrepancy. I suspect it might have something to do with the treaty recently negotiated with the Soviet Union concerning the area outside the 200-mile zone. But, surely if the purpose of the declaration is to improve our negotiating stance at the ICNAF conference—and I suspect that is one of the reasons, and I suspect, by the way, that it could have been done two years ago and would have resulted in better fishing limits being established at that conference, but better late than never—now that the minister has made the declaration, how do we go to that conference with the margin open? Surely our hand would have been strengthened in June if we had gone for the margin and then negotiated from strength.

Again, it is a halfway position. We should have gone for the margin. We should have gone to the conference with strength, and then we could have reduced our fishing catches on the east coast. The date is significant. The date for implementation is January, 1977. The United States legislation will be effective in March, 1977.

It was assumed at the Law of the Sea conference that Canada would simply follow the United States, that its declaration would be effective shortly before the United States declaration, and that we would act under the umbrella in terms of the United States military strength to prevent a confrontation on the coast. But Mexico, for example, and Canada have different positions on the coast. The 200-mile zone meets the situation in respect of Mexico and the United States, but it does not meet the needs of Canada. I am amazed that the minister today would come forward with a declaration which is inconsistent with the right position which is the position Canada had taken at the Law of the Sea conference. Nevertheless, this is better late than never. We welcome the declaration. It is long overdue. This is a typical Liberal compromise on an important matter. I hope the minister will give immediate and serious reconsideration to the 200-mile zone and extend it to the edge of the margin on our east coast, where it belongs.

● (1240)

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, first of all I should like to thank the minister for having advised us ahead of time of the statement he intended to make at this time on our work on the 200-mile territorial limit.

As the other speakers from other parties of the opposition said so clearly and eloquently before me, in fact the minister made today a statement of intent on the general policy the government will adopt with regard to the protection of our coastline to a 200-mile limit. Mr. Speaker, in the final analysis, that is what it is. The minister recognizes it in his statement, and I quote:

There will be no fishery resource left if action is not taken now.

We are at least three years late in taking positive steps to protect our fisheries and encourage their development. In fact, nothing was done to preserve them either by the present Minister of State for Fisheries (Mr. LeBlanc) or by his predecessors. The minister said in his statement, he admits it implicitly, and I quote again:

Not only the fish but our Canadian fishermen too are an "endangered species", as I have heard them describe themselves.

The minister thus recognizes, Mr. Speaker, that this measure is not only late in coming but that it stands a chance of missing completely its objective, namely to stimulate the fishing industry in Canada and protect employment in fields related to that fundamental industry in the field of natural resources.

The minister is caught in some sort of diplomatic straightjacket, on the one hand in bilateral relations, the agreements signed with Norway, Poland, U.S.S.R., Portugal, Spain, and the United States—that is still to come—and on the other hand, in multilateral co-operation. On studying closely the statement of the minister and those of his predecessors on that technical and important topic, we note, Mr. Speaker, that the multilateral agreements, to come, and the co-operation will not be achieved tomorrow. In this regard, the minister says, once again:

New multilateral agreements will be needed to bring . . . into line . . .

That is not done, Mr. Speaker, and the minister did not specify either in his statement whether or not he intends to take any action to achieve those multilateral agreements. All things considered, the minister recognizes now after three years that the government is late in taking any measures. He also recognizes that many fish species and especially the employment associated with the industry are both endangered, as he says.

The Minister also said that an order in council will be issued in 1977 which will establish the Canadian policy. But let us not be mistaken; it will be once again an order in council dealing within our own country limits and it will not necessarily make a success out of the policy announced by the government on preservation and bilateral or multilateral agreements.

To sum up, Mr. Speaker, this is an excellent general statement of policy we are well accustomed to hear. It is well written but it does not, in the end, create a single job in the fishing industry nor insure any kind of investment for the preservation of fish species that are the main natural resource of this country. Further, we have no guarantee, no indication even, that the multilateral agreements to come will get a chance to succeed.

Of course, Mr. Speaker, the minister emphasizes the importance of protecting these natural resources and I believe that every member and the whole world agree on that, but when the time comes to implement such an agreement, we will see whether our diplomats headed by the minister will be efficient enough to put it into action and see to it that our industry and our jobs will be protected.

In conclusion, Mr. Speaker, I want to say that in this field as in many others, for instance the textile industry, the shoe industry, I fear the government will take action when jobs will no longer be there. The government now allows into the country large quantities of foreign products, it does not do a thing about it, but just before election time, it will try to do something under the pretext that it wants to protect jobs that no longer exist.

The minister tells us now he will protect the industry that is nearly extinct. I think that what we need now is something more than pious assurances, but action to preserve these industries. Tomorrow may be too late.

[*English*]

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, I have a series of questions that I should like to ask the minister, following his welcome declaration. I missed the first few sentences of it, but it was my understanding that it was the jurisdiction of the Department of Fisheries that was being extended. While I am aware that the Minister of Fisheries (Mr. LeBlanc) has to be somewhere else today, I would have preferred to have had him here so we could question him on specific things. The first question I should like to ask the minister is, what steps has he taken to assure the future of our anadromous species? Has he some guarantees that the species that are spawned in our waters off the west or east coast and which go out to sea beyond 200 miles will be under the control of Canada in the fishing stages of their life?

Mr. MacEachen: Mr. Speaker, obviously the case of the anadromous species is an important concern and has been an important objective of the Canadian delegation at the Law of the Sea conference which attempted, successfully, to ensure that the state of origin would have the principal responsibility for this resource. The Canadian objectives have been substantially reflected in the negotiating text and in the revised text. We believe that that is a major achievement on the part of the Canadian delegation, and obviously its acceptance must await the conclusion of the Law of the Sea conference.

Mr. Munro (Esquimalt-Saanich): My second question in the series has to do with those other elements which were in negotiation and what guarantees we are going to have, because they have an effect on fisheries. I am referring to the environmental element, the surface and subsurface navigation elements of an extension to 200 miles and the subsoil resources element of this proposition. It has been mentioned, but the extension of the edge of the margin is a very important one, too, and it was not included in the statement. So, is any provision going to be made with regard to jurisdiction over the environmental, surface and subsurface elements and the subsoil resources element?

Mr. MacEachen: As the hon. member realizes, under the international law, Canada already enjoys sovereign rights over the resources of the continental shelf. This includes mineral resources as well as the sedentary fish species on the shelf. The revised negotiating text at the recent Law of the Sea conference merely reaffirms the existing law on this particular point. Questions of the marine environment, scientific research—all important questions—are matters of further negotiation at the Law of the Sea conference.

The hon. member spoke about subsoil. I presume that the subsoil is included under mineral resources, but I will take further advice on that question. The hon. member referred to the question of the continental margin. It is true that

the Canadian delegation at the Law of the Sea conference had pursued the objective of securing for Canada authority for the management of the fisheries resource to the edge of the continental margin; that still remains an objective of the Canadian delegation and will be pursued at the subsequent meetings of the Law of the Sea conference.

● (1250)

However, I should remind hon. members, and particularly the spokesman for the NDP, that that particular aspect of the fisheries situation must be kept in perspective. According to the statistics I received from the Department of Fisheries, less than 5 per cent of the ICNAF catch is taken between the 200 miles and the edge of the continental margin. That must place the situation in perspective—and obviously the Icelanders recognized the particular importance of the 200-mile economic zone in their recent negotiations with the United Kingdom.

Mr. Marshall: Mr. Speaker, in commending the minister, I remind him of the opposition day recently when we suggested that we should go one step at a time and extend the 200-mile fishery zone. I am glad he listened to our advice.

The minister indicated in his speech the instructions to the Canadian delegation to the ICNAF meeting, but he did not say anything about the details of the instructions. I wonder if Canada will agree at the ICNAF meeting this month to the various quotas which will be decided upon. Will Canada be locked in to those quotas, which will be for a period of a year? How can the minister reconcile extending the 200-mile limit—and which will take precedence? The second question is, what coincidental planning is taking place by the Department of Fisheries, by the Ministry of Transport and by the Department of National Defence, and what co-ordination of efforts is now taking place in order to patrol and provide surveillance over the 200-mile zone?

I have one further question—and I am asking these all at once—with regard to the tentative agreements we might have and the common problems that we might have with United States and France, particularly when article 9 of our agreement states that no provision of the present agreement shall be interpreted as prejudicing the views and future claims of either party concerning internal waters. What negotiations are going on with regard to the equidistant line which presently exists? How do we reconcile this? And, can they not extend the 200-mile limit south of St. Pierre and Miquelon? I hope the minister can remember those three or four questions and answer them.

Mr. MacEachen: In the first place, the timing of the announcement today is related to some extent to the ICNAF meeting which is to take place next week in Montreal. At that meeting, the Canadian government will tell its partners that regulations which come into effect for 1977 must be in conformity with extended Canadian jurisdiction. It seemed to us that we ought to make that clear to our ICNAF partners and that we ought to make clear to the House today that that was our position.

I appreciate the commendation of the hon. member for the action we have taken. Obviously, we have all been wanting to take this action, but in my judgment we have taken the action at just about the right time, not only because of the ICNAF meetings but because of the completed successful bilateral negotiations with the distant fishing states which will allow us to make what I consider to be a smooth transition to Canadian jurisdiction.

I realize that important fishery discussions with the United States are to take place in the future. It will be a major concern of mine that we reach satisfactory conclusions with the United States with respect to the boundary questions which exist with that country. I already communicated to Dr. Kissinger this morning the decision taken by the government of Canada and the necessity of taking a very serious attitude toward these bilateral negotiations between Canada and the United States. We have not yet completed our negotiations with France, but we do believe that it would be unrealistic, in view of the land base involved, for Canada to permit a 200-mile zone on the seaward side.

Mr. Marshall: The minister did not answer with regard to the surveillance.

Mr. Speaker: In the light of the hour, I wonder if hon. members would agree, in attempting to get some regional equality into this, that perhaps this matter might be concluded by allowing a clarification of the point just raised by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall), as I see the minister wants to clarify that. We could then permit a question by the hon. member for New Westminster (Mr. Legatt), which might enable us to conclude this in such a way as to extend the sitting a few moments to clear up routine proceedings. If there are more questions, I do not want to restrict the minister. This is a very important subject, but if that is agreeable to the hon. members, we might try it.

Some hon. Members: Agreed.

Mr. Marshall: The minister did not answer my question about surveillance and patrol capabilities when we do extend.

Mr. Munro (Esquimalt-Saanich): St. Pierre and Miquelon.

An hon. Member: That is the important part.

Mr. MacEachen: It is important, and it seems to me that the question of enforcement will be much easier because of the consent we have achieved through our bilateral agreements with the distant fishing states to our extended Canadian jurisdiction. It will not be a repetition of what happened off the Iceland coast where the British contested the Icelandic declaration. In our case, 88 per cent of the fish caught in the ICNAF area is covered by bilateral agreements in which the distant fishing states acknowledge, either explicitly or implicitly, extended Canadian jurisdiction.

Apart from that, which is the main question, of course, is the fact that we do have within the government a task force which has been working for some time on the preparations for surveillance. Surveillance is already being carried out off the Atlantic coast, and we are making preparations to ensure that appropriate surveillance will take place. However, the acquiescence of distant fishing states

in our jurisdiction is much more important than any other factor in this situation.

Mr. Munro (Esquimalt-Saanich): What about St. Pierre and Miquelon?

Mr. Leggatt: Mr. Speaker, I might say that I am in agreement with what the minister said about his success in the bilateral negotiations. I do not think we should be overly-critical of the minister at all times.

Some hon. Members: Hear, hear!

Mr. Leggatt: To that extent, his approach was very worth-while. However, my question is on the very important matter of surveillance of the new zone of both coasts. Has the minister a task force, or has there been any special study carried out by DND or people in his department concerning the capacity of Canada to enforce that zone? We have heard a few generalities, but I would like the minister to be a little more specific, because I have not seen anything in the DND budget nor in the minister's budget which indicates that we are now prepared with the fast-pursuit craft or additional aerial surveillance which is necessary to enforce the zone. I wonder if the minister would direct his attention more specifically to what form of study there is, and what form of recommendations we are receiving in terms of now enforcing this extended zone.

Mr. MacEachen: I can tell the hon. member that there has been established within the government an inter-departmental task force to make preparations for the surveillance and enforcement of this particular zone. I am satisfied that it will be possible to provide resources to make surveillance and enforcement possible. That is what is taking place within the government, but any preparations we would undertake, no matter how extensive and grandiose, would be largely futile unless we had the acquiescence of the fleets which normally fish in what will be Canadian waters, to our jurisdiction. The cause of the cod war between Iceland the United Kingdom was simply that the United Kingdom did not acquiesce to any extension of Iceland's jurisdiction, so let us keep our eye on the main game, which is the acquiescence that we believe will exist in our case.

● (1300)

Mr. Leggatt: We have acquiescence on the margin; there is no question about that. We have not extended it to the margin. There is clear acquiescence on our part in not moving out to the margin. The government mentioned that less than 5 per cent of the ICNAF catch is margin: how much of that is breeding stock that feeds on resources of the banks off the east coast? How much have we abandoned there, in terms of supporting the fishing reserves of the fishermen on the east coast?

Mr. MacEachen: The percentage that they give is as I have learned it. It is not to be discounted, because it will be our objective at the Law of the Sea conference to extend our jurisdiction to the edge of the margin. In assessing the significance of our action today, we ought to bear in mind the relative percentage of fish taken within the 200-mile economic zone, and then the range between the 200-mile economic zone and the continental margin, which I understand to be less than 5 per cent in the terms that I have described. These are not sedentary fish that we are talking about. I cannot tell the hon. member exactly how the breeding proceeds in that particular place.

* * *

QUESTIONS OF THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 5,149, 5,447 and 5,509.

[*Text*]

EXPENDITURES ON CN TOWER, TORONTO

Question No. 5,149—**Mr. Stevens:**

1. What have been the total expenditures, of whatever kind or nature, on the CN Tower in Toronto up to March 31, 1976?

2. As of that date, what is the estimated total cost?

3. What are the total estimated gross revenues and net revenues for the project, and from whom is it anticipated the revenues will be received?

Mr. Ralph E. Goodale (Minister of Transport): The Management of Canadian National Railways advises as follows: 1. $50 million.

2. $57 million.

3. Revenues are obtained from T.V. and radio stations, from concessionaires (food, merchandise and attractions), and from charges paid by the general public for access to the observation areas. The net return on the investment is projected at 10-12 per cent based on estimated gross revenues of $9.5 million in 1977.

CONTRIBUTIONS TO REGISTERED HOME OWNERSHIP SAVINGS PLANS

Question No. 5,447—**Mr. Caouette (Témiscamingue):**

1. For the taxation year 1974, how many taxpayers deducted from their personal income, contributions to the Registered Home-savings Plan and what amounts did they deduct as a whole?

2. For Canada and each province, how many taxpayers claimed such tax deductions and what amounts did they deduct as a whole, according to the income bracket (a) less than $5,000 (b) from $5,000 to $9,999 (c) from $10,000 to $14,999 (d) from $15,000 to $19,999 (e) from $20,000 to $24,999 (f) from $25,000 to $49,999 (g) over $50,000 and according to the age group (i) under 20 years of age (ii) from 20 to 30 (iii) from 31 to 40 (iv) from 41 to 50 (v) from 51 to 60 (vi) 60 and over?

3. How many taxpayers claimed such deductions and what amounts did they deduct as a whole, according to the kind of financial institutions they were doing business with (charter banks, life insurance, trust or mortgage companies)?

Hon. Jack Cullen (Minister of National Revenue): 1 and 2. At this time, only limited information is available with regard to contributions to Registered Home Ownership Savings Plans claimed as deductions from income for the 1974 taxation year. The tables, extracted from Preliminary Taxation Statistics for 1974, show the total amount of contributions by province and by income class for all Canada. More complete information on the number and

amount for each province by age and by income class will not be available until the release of Taxation Statistics (1976 edition) this summer.

3. The Department does not collect statistics on financial institutions in which these Home Ownership Plans are administered.

Contributions to Registered
Home Ownership Savings Plans
1974 Tax Year—By Income Class

Income Class	Amount of Contribution ($000)
less than $5,000	15,563
5,000—9,999	70,350
10,000—14,999	64,095
15,000—19,999	26,656
20,000—24,999	9,894
25,000 and over	12,868
Total	199,426

Source: Preliminary Taxation Statistics (1974 Tax Year).

Contributions to Registered Home Ownership
Savings Plans—1974 Tax Year
By Province

Province	Amount of Contributions ($000)
Newfoundland	3,327
Prince Edward Island	605
Nova Scotia	5,075
New Brunswick	3,301
Quebec	43,977
Ontario	83,729
Manitoba	9,212
Saskatchewan	7,117
Alberta	16,587
British Columbia	24,676
Yukon	330
Northwest Territories	752
Outside Canada	738
All Canada	199,426

Source: Preliminary Taxation Statistics (1974 Tax Year).

AGRICULTURE—SPECIAL ASSISTANCE TO PRODUCERS ENTERING THE DAIRY INDUSTRY

Question No. 5,509—**Mr. Beatty:**

What special assistance, if any, is the Minister of Agriculture prepared to make available to producers who recently entered the dairy industry and whose ability to continue in business is most jeopardized by the government's dairy policy?

Hon. E. F. Whelan (Minister of Agriculture): The Canadian Milk Supply Management Committee on which the provincial producers and government agencies are represented, is finalizing the provincial regulations regarding market sharing quotas. Under the Terms of the Supply Management Plan the provinces decide on the allocation of market sharing quotas to producers who recently entered the dairy business.

[*English*]

Mr. Blais: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

MOTION TO ADJOURN UNDER S.O. 26

[*English*]

AGRICULTURE

CUTBACK IN INDUSTRIAL MILK PRODUCTION

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I ask leave, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles), to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, that in view of the extremely serious financial difficulties facing the Canadian dairy industry resulting from the 15 per cent cutback in industrial milk production as announced by the Canadian Dairy Commission, a cutback which is resulting in disastrous loss of farm income and the dumping of high quality milk, this House should give immediate attention to implementing and financing a school milk program so that the surplus milk will be fully utilized in Canada to ensure that all children get some of this surplus nutrition and necessary food product.

Mr. Speaker: Order, please. Pursuant to the provisions of Standing Order 26, the hon. member has given the Chair notice of this intended motion and the Chair has therefore had an opportunity to give the matter some consideration. There are a number of factors involved in any such application to set up an emergency debate, as it were, or to set or accelerate hours for the purpose of considering the matter. Some of those considerations are quite well known.

I do not propose to allow the motion, for two reasons. First, it is clear that the matter, while it is a severe problem and one, obviously, of great interest in view of the number of questions that have taken place in the House, culminating—not necessarily culminating, but at least reaching some kind of a climax in respect of yesterday's demonstration—but because the matter has been raised so many times in the House it is obviously of continuing concern as opposed to some crisis which I think ought more properly be seen to be the subject matter of motions under this Standing Order. That is not to say that matters of continuing concern are ruled out, but I must consider, having reference to *Hansard* of March 19 this year, some three months ago, that the matter was debated upon a motion of the Social Credit party on an opposition day, all through the day. I do not take that as an indication of anything except that the matter has been before the House in some form or other for some three months.

The second consideration in the language of subparagraph 5 of the Standing Order is that we have to bear in

mind the nature of the subject matter. Here again, because it is a matter of continuing concern, I think the decision within subparagraph 5 of the rule is effective; that is, that the very nature of the matter might affect other opportunities that would exist to discuss it. In this particular case, not only have several opportunities been taken in the past during question period and other areas and, I am sure, in respect of the minister's estimates before standing committees, but it seems to me to be a subject which might be given some attention in the three budget days which remain, when the subject will be relevant for discussion, and in the five opposition days that remain in the short period before us in the trimester that finalizes at the end of June—whether the House recesses at that time or not.

Bearing in mind the continuing nature of the problem, and because it is of a nature to be before us in the next few days, I have decided that although it is a matter of importance and concern to a great many Canadians, it ought not to be set aside for special consideration under Standing Order 26.

Order, please. Orders of the day.

An hon. Member: One o'clock.

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

ROUTINE PROCEEDINGS

[*English*]

CANADIAN WHEAT BOARD

REFERENCE OF REPORT TO STANDING COMMITTEE

Mr. Speaker: Order, please. Perhaps in my haste I overlooked a motion that stands in the name of the President of the Privy Council (Mr. Sharp). The President of the Privy Council, seconded by Mr. Drury, moves:

That the annual report of the Canadian Wheat Board for the crop year ended July 31, 1975, tabled April 8, 1976, be referred to the Standing Committee on Agriculture.

Does the House would give its agreement to consider the motion?

Some hon. Members: Agreed.

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

Some hon. Members: Agreed.

Motion agreed to.

Mr. Speaker: Orders of the day having been called, and it now being after one o'clock, I do now leave the chair until two o'clock this day.

At 1.10 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

GOVERNMENT ORDERS

SENATE AND HOUSE OF COMMONS ACT AND SUPPLEMENTARY RETIREMENT BENEFITS ACT

MEASURE RESPECTING CERTAIN PAYMENTS THEREUNDER

Hon. Mitchell Sharp (for the President of Treasury Board) moved that Bill C-81, to amend the Senate and House of Commons Act and the Supplementary Retirement Benefits Act with respect to the escalation of certain payments thereunder, as reported (with an amendment) from the Standing Committee on Miscellaneous Estimates, be concurred in.

Motion agreed to.

Mr. Sharp (for the President of Treasury Board) moved that the bill be read the third time and do pass.

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

* * *

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed, from Monday, May 31, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Stan Schumacher (Palliser): Mr. Speaker, when beginning these remarks last Monday evening I was suggesting that there was growing concern in the country as to whether this chamber was capable of representing the views of Canadians in general. I am concerned that not all members will take the opportunity to debate this subject fully, particularly in view of the fact that the government House leader seems to think that 70 members having already participated is a rather extensive number.

I wish to speak for a few moments about the obligations of those of us who oppose the abolition of the death penalty. I believe that a member of the House of Commons has a greater duty to his constituents and the country than merely to get up at the appropriate time to cast a vote in this chamber, important as that may be. A member of the House of Commons has many obligations. He not only has an obligation to speak for his constituents, but for Canadians in general. In this particular case, a large number of members who oppose abolition of the death penalty are remaining silent. They are not participating in this debate. I urge hon. members to reconsider their position and speak in this debate before the second reading stage is concluded.

I am told that a number of people who want the abolition of capital punishment are not going to participate. They feel that if there is an early vote, the chances of success are greater. They believe that the longer it goes on, the less chance there is of the measure failing, as I believe it should. Those of us who oppose the abolition of capital punishment not only have a duty to our constituents but to many other Canadians whose voices will not be heard

through their member of this House. Over the years there have been a number of petitions, including a very large petition for a referendum on this subject. I have always felt that if there is one subject that is deserving of a referendum, it is that dealing with the retention or the abolition of capital punishment.

Most members on all sides of this House agree that it is a matter of conscience as to whether this should pertain. It is obvious that one member cannot reflect the conscience of everybody in his constituency. The government, of course, has been very stubborn with regard to allowing a referendum. They know that if this question is put to the people directly, the government's views will be soundly defeated. There is no question about that. Those of us who believe as the majority of Canadians believe, namely, that capital punishment should be retained, have an obligation to spin out this debate until the next election. That election could be something of a referendum on the subject we are considering. Indeed, that is the only reason we are discussing this issue.

● (1410)

The government has been completely dishonest in its approach. We have had a five-year period of abolition, commencing in 1967. In 1973 the government wanted the period extended by a further five years. At that time, the Solicitor General said it was only a second five-year period and that in the long run the government wanted a third before the question was finally decided. Of course, the second five-year period would ordinarily expire around the time of the next election. The reason the government is bringing this measure before the House now is that we are midway between elections: they want to get the question disposed of so that it will not be an issue in the next election.

To my mind, that is a dishonest approach because when the government brought forward Bill C-2 they said it would be the law for a certain period of time. Now they are asking us to change it again. We just cannot believe what the government says. The people are being denied the right to express themselves directly. Those of us who believe they ought to have that right should use every tactic and manoeuvre available to us to frustrate the will of the government on this matter, since the government does not have the people behind them. I hope everyone who favours the retention of capital punishment will exercise his right to speak and delay this measure so that it can become an issue at the time of the next election. If retentionists fail to do this, they are not being true to their professed stand; they are abusing their retentionist vote and regarding it as merely vote-gathering; they do not really believe retention is the proper thing. Even though I would agree with the way they vote, I cannot respect an hon. member who would do such a thing. At least the abolitionists are acting in the spirit of their conviction, but until I see all these retentionists speaking I question the spirit of their intentions; they may be simply bowing to the public will, and I do not think that is a good attitude for a member of this House to take.

As I say, the government has been dishonest in its approach to the whole subject. This is demonstrated by its failure to obey the law as parliament was asked to enact it. I understand that when Bill C-2 was brought in, an undertaking was given to the hon. member for Halifax (Mr. Stanfield) that the government would obey the law. But they have broken their undertaking, as they have broken so many others.

I was opposed in the last election by a candidate who said the Liberal government had abolished capital punishment. That seemed to be the understanding of Liberal candidates, and that has certainly been the *de facto* situation because there has not been an execution in this country since 1962. The last major change in this area, before these experiments began in 1967, was in 1961 when the government of the right hon. gentleman for Prince Albert (Mr. Diefenbaker) made a significant change in the law, bringing in the distinction between capital and non-capital murder. There is no question that this was a great advance in the field of penology. But it has not had an opportunity to work, because only a year after the change in the law was made, the last execution took place and we have had *de facto* abolition ever since.

As far as the idea of a free vote is concerned, to my mind that is so much window-dressing. I am somewhat amazed to find the government suggesting an extension of hours to deal with this matter and only this matter. They want to extend the hours for the debate on capital punishment and get rid of it.

Mr. Sharp: That is not what I would propose.

Mr. Schumacher: The government would give everyone the opportunity to speak on the bill, it is true, but we would have to get it finished, by hell or high water, by the end of June. That is not my idea of a free vote following full and free discussion.

Mr. Sharp: May I ask the hon. member a question? If we had an extension of hours covering government business, including Bill C-84 but not restricted to it, would he support that proposal?

Mr. Schumacher: I could probably support it, but I certainly would not be speaking for this party.

An hon. Member: Who does speak for that party?

Mr. Schumacher: On this question, there should be nobody speaking for this party.

Mr. Paproski: It is a free vote.

Mr. Schumacher: I, for one, would agree to the extension of hours for other government business, but I know there are some members of this caucus who would object to such an arrangement because Bill C-87 is of more concern to them than it is to me, for example. I think there are some members on the government side who are quite concerned about that bill, too. But as far as the bill before us is concerned, I do not believe the government should be playing hanky-panky with the rules. Last week I heard news about a parliamentary group going to Paris for ten days. Is it just coincidental that seven out of ten of those people are retentionists? I may be oversuspicious, but this seems to have a bad odour—

Mr. Sharp: May I ask the hon. member a further question? I have been considering the issues to which he is referring, and I am quite prepared to ask for an extension

of hours for all government business. I am also prepared to accommodate the votes of those particular members. I should like to ask him whether, if this is done, he would agree.

Mr. Schumacher: I am happy to hear the minister make those guarantees. As far as I am concerned, if I have an opportunity to end my remarks and say what I want to say, that is fine. But I cannot bind other members of the caucus who are concerned about this rush to end discussion of this legislation before the last day of June. I cannot see the need for it, because I think it is a breach of faith on the part of the government to introduce the measure at this point, let alone to want it completed in all stages before the end of June. Obviously, every vote is going to count. I do not agree with those who say it will be a free vote as far as the other side is concerned, because the cabinet, in any case, will be united. Last week the hon. member for Pembina (Mr. Elzinga) wondered whether the Minister of Regional Economic Expansion (Mr. Lessard) would fall into line. Everyone knows the vote is likely to be close and that such decisions are likely to affect the final outcome. I notice that the Minister of Regional Economic Expansion in no way questioned what was said last Friday. So there we have lost another retentionist to the lure of advancement in public life.

Some hon. Members: Order.

Mr. Drury: We are not allowed to question motives in this chamber.

● (1420)

The Acting Speaker (Mr. McCleave): Order, please. The hon. member for St. Boniface (Mr. Guay) on a point of order.

Mr. Guay (St. Boniface): The hon. member mentioned that there was a group leaving Canada to go to France and that most of them are retentionists. That is not true, Mr. Speaker. I am the one who arranged for this group to go on these visits to other countries. I am a retentionist myself, and I certainly would not send any retentionists over there if I could help it. May I say to you, Mr. Speaker, that the members of this group are evenly paired. An equal number on each side is going on these trips, and anyone who says otherwise is incorrect or is making a prejudgment. There is an equal number on each side, so that the one balances the other.

The Acting Speaker (Mr. McCleave): Order, I think the hon. member for St. Boniface has raised a point for debate which could have been raised at some other time. The time taken will not be deducted from the time of the hon. member for Palliser (Mr. Schumacher).

Mr. Schumacher: Thank you very much, Mr. Speaker. All I can say is that it is still seven out of 10. It appears to me that the hon. member for St. Boniface (Mr. Guay), the very excellent chief government whip, must be very happy in his duties.

Mr. Guay (St. Boniface): There is no doubt about that.

Mr. Schumacher: I am sure he would like to continue in them for a great length of time.

If this government really wanted to have a free vote on this subject, it could have adopted the procedure used in 1966 when the private members' route was used. If this government gave its blessing to a private members' motion or bill on this subject I am sure it would have got appropriate consideration in the House and we would not have had to worry about its being talked out or anything like that. The last time this procedure was used, I think six members of the administration voted for retention, including the Hon. John Turner. If the government were really sincere about having a truly free vote on this question, then this is the method that they would have adopted. Until they adopt such a procedure, Mr. Speaker, I question how free this vote is going to be. I think there is plenty of evidence to show that it is not.

As far as this whole so-called peace and security package is concerned—the government is afraid to call it a law and order package—the other element of dishonesty is the blatant bribe to members to pass the legislation in return for some very harsh and severe terms of imprisonment. The government is proposing a term of imprisonment of 25 years without any possibility of parole. If that were going to be the case, even the hon. member for Timiskaming (Mr. Peters) would feel compelled to vote against it. He does not really believe that the government is serious about this, though he certainly does not like what is being offered in this regard. It is clearly an out-and-out bribe to enable members to salve their consciences and support the government in this matter, in return for a very harsh, cruel, inhumane term of imprisonment.

Such a term of imprisonment is no bribe to me, because I do not think the government is honest anyway. It just is not honest, Mr. Speaker. What the government is offering now, it will start chipping away at later. We have had evidence of what the government wants to do in this area. We have heard the government's ideas about temporary absences, sending people off on trips, having people to go to Spain to get married, and so on. That is the government's idea of rehabilitation. Because of terrific public opposition to this sort of thing, the government is now changing its colour, like a chameleon. I suggest that if the House is foolish enough to fall for the government's proposal in this measure, within a year or two it will start chipping away at the term of imprisonment and we will end up with absolutely nothing.

If a convicted murderer does receive a 25 year mandatory sentence, we are told that after 15 years a panel of three judges could perhaps change the sentence so as to allow for parole. I think statistics now show that the average capital murderer is released from jail after 13.2 years. If, under the new law, he is paroled after 15 years, all we have added is 1.8 years, which to me is not that significant. There has been this great foofaraw about a 25-year maximum term. I do not think it is true about the 15 years, because if it were the government would lose support. Nevertheless, it is a poor show for the government to resort to this type of bribery in addition to all the other chicanery it has engaged in on this subject.

As far as my own constituency is concerned, Mr. Speaker, I have conducted a couple of polls and it is quite clear

where my constituents stand, which I suppose makes my job easy since in no way would I be in opposition to the vast bulk of my constituents. In 1971, 76 per cent were in favour of capital punishment, 20 per cent said no, and 4 per cent were undecided. In 1973, 79.4 per cent favoured capital punishment, 18.4 per cent said no, and 2.2 per cent were undecided. In the latter poll I also asked whether, if life really was life, they would have a different view; 41.7 per cent said they would; 54.2 per cent said that they still wanted capital punishment even if life was life.

Mr. Drury: Explain.

Mr. Schumacher: Even if life meant life it was not satisfactory to 54.2 per cent of my constituents; they still felt capital punishment should be retained. Much of this has to do with the situation in our penitentiaries. The Solicitor General (Mr. Allmand) has also said that in order to protect society we shall have to improve the situation in our penitentiaries; that there will be great reforms. We have been having great reforms in our penitentiaries for 15 years or more, Mr. Speaker, starting when Alan MacLeod began the new wave of penal reform. I do not know what kind of reform we are achieving in view of the sort of situation that has arisen in the B.C. penitentiary. I should like to read a couple of paragraphs by Doug Collins which appeared in the Toronto *Star* for April 30 last and had to do with that institution. He said this:

> The B.C. penitentiary, that grim, ancient, shabby and hopeless pile in New Westminster, has to be the laughingstock of the country. Hostage-taking now seems to be taking place every week, prisoners demand flights to everywhere and sometimes get them (in exchange for a guard who in return doesn't get his throat cut) and there is a general atmosphere of what-will-happen-next?
>
> What will happen next, if those close to the scene know anything, is that the place will explode. Concessions to the violent lead to more concessions, guards hate prisoners, prisoners hate guards, and everyone—guards, prisoners and public alike—hates Ottawa, which is supposed to control this mess.

It is obvious that the government cannot deal with this situation. Instead of discussing this bill we should be getting down to the root of the problem in our penal system. If the government can show us there is no hope for our penal system, then maybe some of us would be obliged to change our minds; but surely at this time there is no argument for changing one's mind in respect of the retention of capital punishment.

● (1430)

In a little over a month the Olympic Games will be commencing in Montreal. We are spending some $30 million, $40 million or $50 million for security there, and we are being warned all the time that terrorists may be coming in from outside this country who will take disruptive action at the games. Our immigration procedures are being tightened, along with the United States regulations to protect against this. All sorts of things are being done. I wonder what the attitude among terrorists in the world would be if two or three weeks before the opening of the Olympics, Canada abolished the death sentence. Surely that would give some support to the idea that we are not really as serious about this subject as we ought to be. If for no other reason than that one alone, we should be postponing the conclusion of this legislation. It should wait until the fall before coming to a decision.

[Mr. Schumacher.]

Let me return again to what I was saying about our penitentiary system. It is quite obvious, from some of Mr. Collins' comments, that the system is out of control in British Columbia and in some other places in the country. I might point out that the penitentiary located at my place of residence, Drumheller, Alberta, has been called the gem of the system. It certainly creates the least problems. I know there are problems there, but they have not got out of control as they have in other places in the country. We are very fortunate and I am very proud of the staff of that institution because they have worked things out very well. However, if we are to continue with the sloppy way in which the government is dealing with our penal system, I am afraid that even the situation at Drumheller will deteriorate.

I, for one, feel that in order to keep the situation in these institutions under control we must pay more attention to what has been said by the director of the B.C. penitentiary and others across this country. They feel they should be able to use the paddle to effect some sort of discipline and order in these institutions. It is intolerable when the inmates run the institutions. That is just not acceptable. Instead of following this advice, the government is continually chipping away at the effectiveness of punishment in this country, whether in the institutions or outside.

I do not like to be critical of my friends of the New Democratic Party, particularly when there is no one representing them in the House at this moment, but I find it rather unusual that such a democratic party can be so united in its opposition to the death penalty when such a large proportion of its grassroots supporters in the country favour retention.

Dr. Fattah, criminologist at the Simon Fraser University, who has been referred to by some as the high priest of abolition in this country, carried out a study on behalf of the Solicitor General regarding support for this measure in various party groups. Of course, the supporters of the Social Credit party in Canada are the strongest in favour of maintaining the death penalty, followed by the Conservative party and the Liberals. However, even in the NDP a substantial number of people want the death penalty retained. The latest figures in the study are for 1971, and they show that 43.75 per cent of NDP supporters want the death penalty retained. That is a significant number and I wonder how, among 16 here, there is not at least one who would speak on behalf of that element of that party. I find this very unusual, and I think it should be commented on by the grassroots of that party to its parliamentary membership.

Popular belief would have it that everyone in the NDP in this country is opposed to capital punishment. That is not true. In 1960, when it was the CCF party, 61.1 per cent felt that capital punishment should not be abolished—and that is only 16 years ago. These are national figures. Someone in the NDP should explain why their parliamentary group is so opposed to capital punishment, contrary to the belief of a great many of their grassroots members. That is not very democratic at all.

Some hon. Members: Oh, oh!

Mr. Schumacher: Mr. Speaker, I am happy to know that the hon. member for Brant (Mr. Blackburn) will explain that later today.

Many people have suggested we cannot have capital punishment because there is one law for the rich and one for the poor. I think the teeth of that argument were pulled long ago. We have a tremendous legal aid system in this country now, supported by millions of dollars. From my own experience in Alberta, there is never a shortage of funds to hire proper counsel to make sure that justice is done in this area—so that argument just does not apply.

In conclusion, let me suggest that the law after 1961 was never allowed to function. Some still argue this matter on the basis that people who kill as a result of passion will be hanged. That is not the law. The law as it was passed in 1961 is that capital punishment shall be reserved for those people who, on a planned and deliberate basis, or on a contract basis, go out and murder somebody, or kill somebody in the commission of a planned and deliberate criminal offence. That is not in any way, shape or form a crime of passion. So that argument is completely meaningless.

Capital punishment is a deterrent to those who might otherwise set out on a deliberate plan or course of action that would likely result in somebody's death. Human nature is such that individuals place great value on their lives and people are not going to do something that will likely threaten them. I agree that capital punishment does not have much deterrent effect in respect of those who may commit crimes of passion, but this is not the law and that is not what we are arguing. We are suggesting capital punishment for those who deliberately plan murder. Those people should not have the ghost of a chance of ever doing the same thing again.

I urge all hon. members to participate in this very important debate and use every means at their disposal to make sure the real feelings of the Canadian people are expressed, whether right or wrong. If the Canadian people are wrong, we will have the opportunity to correct them. In the meantime, there are a great many families and dependants of victims to whom we have a duty. We cannot confine our thoughts or considerations to those who have actually taken somebody else's life; we have a greater duty than that.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, the numbers present this afternoon would indicate that Friday is not a vintage day among all parties for attendance in the House of Commons. I mention that, not by way of criticism but simply to point out the fact that I am informed discussions are now taking place concerning the enlargement of this House because of the increase of members that will follow the acceptance of the new redistribution measure. Indeed, Your Honour, the throne will be moved back some distance. I suggest there be no increase in the size.

● (1440)

One reason for the power of the parliament of Westminster in so far as the House of Commons is concerned is that the membership cannot always find seats, benches, on which to sit and the result is there is a feeling of urgency. Indeed, when I was prime minister I endeavoured to bring about a change. I had fairly good support, but one would require general support to remove the desks and substitute benches. However, the quality of debate in this House would multiply very greatly. Now that the House is to be increased in size, I suggest there be something done along the line of not increasing the size but of providing benches at the back for those members who are not present and therefore cannot occupy seats. When people visit the gallery and see the House of Commons virtually unoccupied, there is no greater criticism offered than that when they return home. When the discussions take place, I would like the opportunity to present my views before those who will be charged with the determination of this matter by way of recommendation to the House because I feel very strongly that an increase in the size of this House in the way of provision of extra desks can only extend still further relationship which is not in keeping with parliamentary procedure in that there is no close intimacy such as is assured in the House of Commons at Westminster.

The Acting Speaker (Mr. McCleave): Order, please. The hon. member for Davenport (Mr. Caccia) is rising on a point of order.

Mr. Caccia: Mr. Speaker, I rise on a point of order concerning the remarks made about this House. The hon. member who just had the floor suggested that those members who are not present are remiss in their duties. That is not fair. The hon. member knows there are members attending committee meetings and there are members who are performing duties in other parts of the country away from this House. Because of the reduced capacity of the House to listen to the remarks of the right hon. member for Prince Albert (Mr. Diefenbaker), that hon. gentleman should not allow his ego to be offended to the point that he would make remarks of the kind he just made.

The Acting Speaker (Mr. McCleave): The Chair, probably like anyone else here, recognizes that the House never is filled to capacity to listen to anyone. It does not seem to be a strong point of privilege. Certainly the Chair has not taken the words of the right hon. member for Prince Albert as an indictment of our practices. It seems to me to be more in keeping with what all of us have come to recognize as the reality of a Friday.

Mr. Diefenbaker: Mr. Speaker, of course there was no question of privilege, but the hon. gentleman has made his presence known. I feel sure that as a result of that interruption he will find himself, possibly, in a preferred position when the next promotions in the government take place. I have watched him with interest and I have come to the conclusion that he is one who endeavours at all times to interfere in the manner in which he has just now, without regard to any rule or regulation but simply for the purpose of making himself known among members who otherwise might not recognize him or his presence.

Mr. Speaker, I speak as one who throughout the years has been an abolitionist. I speak as one who has had experience in the courts. I need not go into that. I speak as one who knows that on occasion an innocent man has gone to the gallows. Indeed, in the last year or so in the United Kingdom there have been several examples that are extraordinarily appealing to the people as a whole concern-

ing the danger of capital punishment under the circumstances which now exist. However, if this bill had been brought in, premature though it is, a year and a half before the present law will elapse, and there had been omitted therefrom that portion with which I intend to deal particularly, I would have been unchanged.

As an abolitionist through the years, I have stated that there is no inconsistency in the view I express, that so far as an offence against the state, such as treason, is concerned, everywhere in the world the penalty, with the exception of very few countries of not very great significance, is death. The other day, when I asked the Prime Minister (Mr. Trudeau), I think on May 18, whether or not he would remove that portion of the bill in which treason will have an open season if this bill is passed, he then asked me whether or not I spoke for the opposition. That gave the position away—that there was anything in the nature of an unqualified free vote.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Either the question was amusing on his part or, on the other hand, it was a revelation of the fact that when the government as a whole is voting solidly one way, namely, for this bill, the question of a free vote becomes rather nebulous. Then, in addition to that, when speaking in British Columbia on the second last occasion on which he was there on vacation, he was asked what he would do if the bill were turned down. In the forenoon he said he would resign as Prime Minister. By noon that day I was communicated with by my press representative in British Columbia and I could not believe that the Prime Minister would have said that. But I would point out that if he said that and carried out the threat that if the bill was defeated on a free vote he would resign as Prime Minister, the incentive to vote in order to secure that desirable end would have been awfully difficult to ignore.

Some hon. Members: Hear, hear!

● (1450)

Mr. Diefenbaker: However, that afternoon he said, "Oh, I was just musing". Musings of that kind with the life of individuals at stake on the part of anyone are not amusing. Then later on, when faced with the fact that overwhelmingly across Canada there is a demand for capital punishment for murder, he said, "Well, if public opinion is aroused, then I guess we will have to have a few hangings". That, to me, is not the kind of statement that is in keeping with the seriousness of the question that we face.

We find that not only was the legislation passed in 1973 to be repealed, but a further section has been included in the bill to abolish the death sentence for treason. I ask the government: what group of Canadians have asked that it be abolished for treason? Certainly, it has not been the organizations that ordinarily deal with civil liberties. Nowhere, at any time, has any organized or unorganized group in this country asked the government to abolish what is accepted everywhere in the world as the punishment for treason. Why is it included? When I suggested to the Prime Minister that he withdraw that, he became very petulant, peevish—not unusual today—and then he became annoyed with the hon. member for Fundy-Royal (Mr. Fairweather), very annoyed with him. Why? Why is the government, in 1976, bringing in legislation of this kind, when during the summer at any time, and particularly I emphasize during the present summer, from all parts of the world people will gather for the Olympics?

I will read to hon. members the law as it is now, so that there will be no mistake about it. This law has been on the statute books for years. The Canadian Civil Liberties Organization has not asked that the law regarding treason be repealed. Again I challenge the government to name one organization or anyone of responsibility across Canada who has asked for this. The sections in question should be placed on the record. Sections 46 and 47 at present read as follows:

> 46(1) Every one commits treason who, in Canada
>
> (a) kills or attempts to kill Her Majesty, or does her any bodily harm tending to death or destruction, maims or wounds her, or imprisons or restrains her;
>
> (b) levies war against Canada or does any act preparatory thereto;
>
> (c) assists an enemy at war with Canada, or any armed forces against whom Canadian forces are engaged in hostilities . . .
>
> (d) uses force or violence for the purpose of overthrowing the government of Canada or a province;
>
> (e) without lawful authority, communicates or makes available to an agent of a state other than Canada, military or scientific information or any sketch, plan, model, article, note or document of a military or scientific character that he knows or ought to know may be used by that state for a purpose prejudicial to the safety or defence of Canada . . .
>
> 47(1) Every one who commits treason is guilty of an indictable offence and is liable
>
> (a) To be sentenced to death if he is guilty of an offence under paragraph 46(1)(a), (b) or (c)—

That is the killing or the attempted killing of the Queen of Canada, to levy war against Canada or to assist an enemy at war with Canada. Why has this been changed at this time? Nobody has answered that. Again I repeat: there is something gratuitous about the government's action in this regard. Then so far as penalties are concerned, if all one does is to use force or violence for the purpose of overthrowing the government of Canada or a province, they may be sentenced to death or to imprisonment for life.

There is something behind this, and that is what we have not found out. What has activated the government of Canada to bring before the House legislation which will make Canada an open place for assassination and treason subject only to a jail sentence in a world in which terrorism marches and assassinations and kidnappings with assassination take place all over the world? Just at this time the government of Canada decides that it must be kind to terrorists, international murderers and those who raise rebellion.

I ask those who, together with me, believe that so far as murder is concerned as an offence against the individual—and of course an offence against the state—it should not be punished by the death sentence. I ask those who believe in the abolition of capital punishment, how can they, in their own conscience, vote for this bill which contains the particular clauses to which I have referred? The parliament of Great Britain has abolished the death penalty for murder. I have the bill here, which is entitled, "Abolition of the Death Penalty Act". In the observations made thereon, the following appears:

Sentence of death can still and only be awarded for high treason, piracy with violence—

And one or two other offences.

—when a person is convicted of treason, sentence of death must be pronounced.

Why at this time, with the law in effect that the government of Canada stated three years ago was the epitome of all legal perfection, is the government changing this law? I said it would not work, dividing murder according to the occupation of the victim. I voted for it because, as I pointed out, half a loaf is better than none. I said it would not work. It is still in effect and will be in effect until December of 1977. Why, then, this sudden rush, this haste on the part of the government, to force through parliament before this session ends something that carries with it the possibility that each of us can imagine?

As one who, as prime minister, had this responsibility, I know what it means to sign the death sentence. That is what the Prime Minister (Mr. Trudeau) or the acting prime minister in his absence has to do by way of a recommendation to the Governor General of Canada. I know what it means. When I was prime minister if there were any reasonably extenuating circumstances, commutation took place, but when there was no such justification, the sentence was carried out. The last two who went to the gallows in this country went on an order or a direction signed by me. The law was enforced until the present government started playing around with the problem, and since then no one has been executed. Today there is almost a platoon of individuals in our institutions waiting, waiting and wondering what is going to happen.

● (1500)

Why the ungodly haste to bring in this legislation at this time? This House has been sitting now since September of 1974, the longest session in all history and the nearest approach to parliamentary eternity ever seen in our country. And here at the last moment this bill comes along, and we must pass it or continue to sit. Why?

I mentioned a moment ago that the Canadian Civil Liberties Association did not ask for this. Nowhere in its statement of conscience, signed by many of the most responsible of Canadians, is there any question of abolition for other than murder.

I have read these sections of the bill. When I first found out, I could not believe that the Government of Canada in this year—or any year, but this year particularly—would bring in this legislation. Happy days are here again for terrorists all over the world, for those who would destroy, and for those who would undermine the Government of Canada. Am I overstating it?

An hon. Member: Yes.

Mr. Diefenbaker: The hon. member for Palliser (Mr. Schumacher) said, I believe, that the expenditure for security at the Olympic Games would be $40 million or $50 million. Battalions of armed forces—and I am using "battalions" in an exaggerated form—RCMP, city of Montreal police and provincial police are mobilizing and training for the purpose of meeting any potential danger. Do hon. members think that the Government of Canada or the government of Quebec would countenance expenditures like this unless there was danger? I ask hon. members to ponder that when they vote on this matter because I will not vote for a bill which provides an open season for terrorist mob murderers or those who would achieve immortality by assassination.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I am not making a partisan speech today. I am making one from the heart, regardless of whether somebody may say I am guilty of inconsistency. Not at all, for I repeat, treason is treason. In a year when the Olympics take place, above all times, we are asked to say, "Come unto me all ye who would destroy; come, PLO and all the other alphabetical individuals of that kind, to Canada, and if you destroy, all you will be subject to is a comparatively short sentence".

I can just see Castro—because he has become somewhat of a highly regarded individual in some parts of our country by some people—sending some of his 12,000 up here. Could we stop them? We have no right whatsoever; they can come here. Today they are operating in Africa and in South America. Castro has threatened that they will operate elsewhere. This suggested amendment is the most unbelievable I have seen in this House in my time.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: There are some in this country who are so fond of Castro that they go to see him face to face. He tried to see me in 1962, and I was busy, but there are others who found it necessary to endeavour to visit him by canoe. They did not get there. Greater love hath no man than he who would endanger his life in a canoe to get to Cuba.

Under this legislation a group of individuals in Canada who want to set up a Marxist state by force can do so, but subject to what? A comparatively short period of imprisonment! Surely in the heart of hearts of all, and in particular of those who are abolitionists, there must be some concern about this.

I do not want to be repetitious, but when I asked the Prime Minister to remove this he asked me whether I was speaking for the Conservative opposition. In that he revealed the transparent deception of a so-called free vote in this House.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: That is my first and main point. I will be back. I have to be away because I did not expect that parliament would be sitting for so long. Nobody else did either. The reason parliament today in large measure is in contempt across Canada is the fact that it is being used as a plaything. We sit, we talk for an hour and ask questions—as does the hon. member who interrupted me earlier, but our questions are more intelligent than his—and then what happens? The House sits and goes on. Unless every one of us begins to realize the feeling of the Canadian people, I fear for the future of a free parliament, for everywhere in the world history shows that democratic countries go under when citizens begin to lose faith in their democratic leaders.

I can understand the attitude of the Solicitor General (Mr. Allmand). He is widely criticized. He carries the mark of Cain on him, but he is doing what the government requires that he do within the powers which are granted to him. He is frank about it. He has withdrawn his suggestion that if this bill passes, he is out—with one change; he has said he will be out of the cabinet to start with. Now he has said, "I should like another portfolio".

● (1510)

Sir, no vote will be more important than this one. I am not going to draw a frightening picture of July, 1976, at the Olympics but I am telling you that unless a fraud is being perpetrated on the Canadian people by the government in contending that we have to spend, among the two or three levels of government, approximately $1 million on security—if that is so, then by passing this bill we are placing ourselves in the position of accessories before the fact. This is dangerous. To take such a course at any time would be dangerous but to do it now—Mr. Speaker, I do not want to express how much I fear the consequences.

Some suggestions have been made that we will pass the bill and put it into committee. I know there are some worshippers of committee in Her Majesty's Loyal Opposition. Mr. Speaker, I have been here longer than most and I believe that many wish that had not taken place, but I have formed opinions. Committees are fine when they are dealing with matters that are non-partisan, are simple inquiries. Is there any member of this House who would say that if he were on the committee, regardless of what others would do, he would insist on the removal of this portion that has no place in it whatsoever?

Some people ask what will happen if the bill is defeated. Well, until December, 1977, the law will still be in effect. The government brought it in and said it was the nearest thing to Utopia in criminal procedure; it was going to bring about a new heaven and a new earth. Now that a lineup of individuals is awaiting execution, the government insists that this be passed. What will be the result, Mr. Speaker? If it is passed, we simply pass back to the government its responsibilities under the law. I am not here to say there should be no commutations—nothing of the kind. The matter of commutation naturally rests with the exercise of the Queen's mercy. No government should permit itself to be forced into a position to execute anyone simply by the force of public opinion.

All we will do if we defeat the bill because of the insertion of this reprehensible clause is give the government back the responsibility that it assumed in 1973 of deciding whether an individual shall live or die. Send it to the committee? We may just as well stand on our heads and expect to be effective in the House of Commons as to bring about the removal of that clause through a committee.

Other people ask where we go from here. That is not for us to say, Mr. Speaker. No one in this House of Commons, to my knowledge, has ever discussed the abolition of capital punishment for treason. We should defeat the bill, set up a committee and hear evidence in that place. It is as simple as can be.

Sir, I was going to say much more. I shall not do so. I am an abolitionist by conscience and by experience. One time Churchill was taking a stand which was believed to be inconsistent, and he was charged with it. He said, "I have no defence against the charge except when events change, principles sometimes have to change".

Bring in the bill without that clause and I will vote for it. Bring it in in its present form and make Canada the Mecca—if I may use that expression in this oil world—for all the thugs, terrorists, PLOs and Castros. As for me, my conscience will be clear when I vote against it.

Some hon. Members: Hear, hear!

Mr. Derek Blackburn (Brant): Mr. Speaker, the arguments for and against the abolition of capital punishment have been debated in this Chamber and in many other legislative bodies in many countries throughout the world. In spite of the millions of words that have been spoken, we still have murders committed in countries with capital punishment and in countries where the death penalty has been abolished. And, Mr. Speaker, the commission of murder will continue regardless of the outcome of this debate. Man is not a rational being, he is only capable of reason. And man is not a perfect being either, so his imperfections and weaknesses will continue. The point is, how best do we control man's imperfections in the interests of law and order, safety and security for the great majority who live within the law?

I am an abolitionist because my conscience tells me that violence begets violence and that the state should not lower itself to the level of its most wretched citizens. This of course is a very personal and subjective argument. I make no claim that my conscience is any more pure or moral than the consciences of those in this House who support capital punishment. Indeed I will make no attempt to persuade hon. members to accept my point of view. We must all stand and be counted as individuals when the vote is recorded.

What I will attempt to do is to explain why I am an abolitionist, in full knowledge of the fact that a majority of my constituents want capital punishment at this time—I emphasize that last phrase—at this time. I am also aware that should the voters of Brant at the next election choose to appraise my work on this single issue, I may not return to the House of Commons. This is the chance that I and other abolitionists must take in the free spirit of parliamentary democracy.

I mentioned that my support for abolition of the death penalty was based on my conscience. This certainly is not the only reason, because if I thought that the evidence with respect to capital punishment clearly showed that this kind of cruel and unusual punishment was in fact a deterrent to the commission of murder, or other crimes of violence, I would on this issue accept those facts and vote for retention.

I would now like to look at the evidence we have all studied over the last three and a half years which, I suggest to hon. members, most Canadians outside this Chamber have not studied thoroughly.

● (1520)

First I should like to state, as other have thus far, that concentrating on the issue of capital punishment will do

little to protect Canadians from increases in the over-all crime that is occurring in this country. People who have written letters with regard to capital punishment have not only expressed their fear and concern about murder. They have also made it known that they are equally appalled about robberies, attempted murders, assaults, sexual offences, as well as other crimes.

We note, for example, that 1974 assaults accounted for 75 per cent of all violent crimes. The Solicitor General (Mr. Allmand) stated in his opening remarks in this debate that unless we are prepared to exact the death penalty for those who indulge in assaults, then those who argue that capital punishment is the only effective deterrent available will be leaving aside as much as 80 per cent of all other violent crimes. Keeping this in mind there can be no doubt that the re-institution of capital punishment would be totally inadequate as a means of dealing with the total crime scene in this country.

I am reminded of a statistical report on crime prepared by the city police force of Brantford, Ontario, in my constituency, Crime in that city rose 25.8 per cent in 1975 over 1974. Obviously, citizens there are concerned and rightly so, and so am I. If one looks at the types of crimes committed, it becomes evident that either retaining or abolishing capital punishment would have absolutely no effect on this since none of these would be punishable by death.

Break-ins, fraud, theft, and assault accounted for most of the increased crime in the city of Brantford. By and large these are the types of crimes citizens are concerned with, and I reiterate that concentrating on the issue of capital punishment will not provide us with a means of dealing with over 75 per cent of our crimes.

This having been said, I would like to return to the specific question of whether capital punishment acts as a deterrent. I believe that in order to analyse fully the deterrent or non-deterrent aspects of capital punishment we must not only look at the statistics of murder but also the nature of the acts committed and of the people who committed them.

Paul Reid has studied this subject extensively and, in a paper entitled "Murder in Canada", he states that most murders are committed at home by people who have been drinking. Furthermore, the weapon most used in the 545 murders committed in Canada last year was a gun, most often a rifle or a shotgun. Fewer than 11 per cent of the deaths occurred during the commission of another criminal act such as rape, robbery or arson, while 36.3 per cent involved domestic relationships.

This study, as others before it did, suggests that, generally speaking, murder is not the deliberate act of the hardened criminal but rather an impulsive, irrational, unthinking deed either by an average citizen momentarily impassioned, or by the mentally unbalanced. If we accept this analysis it becomes clear that the vast majority of murders usually involve passion and little thought is given to the possible punishment.

Numerous other studies have been done which suggest that capital punishment is not a deterrent. In the United States, U.S. criminologist Thorsten Sellin found that there were no real differences in homicide rates between states that had and had not capital punishment. Sellin also noted that there was no upsurge of murder in states which had abolished capital punishment, nor was there any real decline in states where it was restored.

Professor Sellin's conclusions were found in earlier years by the British Royal Commission studying capital punishment. The commission found, and I quote:

—there is no clear evidence in any of the figures we have examined that the abolition of capital punishment had led to an increase in the homicide rate or that its re-introduction had led to a fall.

It is interesting to note that not long ago in the British House of Commons, which represents 48 million to 50 million people in the United Kingdom, where there has been a lot of terrorism and brutal murders in northern Ireland, bombings in London, Liverpool, Manchester and other places, in their wisdom they overwhelmingly rejected the re-instatement of capital punishment.

Going back even further in time we find that in nineteenth century England—I know this example has been worn threadbare, but it is still relevant—pickpockets were hanged in public yet the best time for a pickpocket to carry out his trade was during a public hanging.

This relates to another issue which bothers me to a considerable degree. If we brought back capital punishment for first degree murder—

Mr. Dinsdale: We have it now.

Mr. Blackburn: —after 15 or 20 people have been hanged, juries may become extremely reluctant to bring in a verdict of first degree murder when in fact the murder was first degree. They will bring in a verdict of second degree murder simply because they are by nature abolitionists. As happened during the fifties, society will get tired of the responsibility of having to declare that someone should forfeit his life. Retentionists should keep in mind that within five years' time this could conceivably happen. People will get very upset, and jurors will let a man off for first degree and convict for second degree. Instead of spending 25 years in jail that person would be out much sooner as a result of a lesser conviction.

In Canada the most noted study on this subject, compiled by Ezzat A. Fattah of Simon Fraser University, again suggests, and I quote:

—that the cause of homicide and murder cannot be found in any single factor but in a total situation in which a special law or particular punishment can have little or no effect.

The professor also pointed out that:

—other offences of violence for which there has not been a change in punishment should show no increase or at least a lower increase than that in criminal homicide.

In other words, to those who argue that the suspension of a particular type of punishment leads to an increase in a category of crime, I would simply ask, for instance, why the rate of assaults in a city like Brantford has increased dramatically? Obviously the sentencing in 1975 was no different than in 1974.

I have become convinced that capital punishment is not the solution to lessening murder rates. An examination of the evidence that I have presented today, as well as of evidence provided by other members and specialists outside this Chamber, indicates that capital punishment does not effectively lower the murder rate.

In dealing with this matter we must also necessarily deal with the irreversibility of the death penalty. While it may rarely occur, there is that possibility of error in our judicial system. Professor Charles Black in his book "Capital Punishment: The Inevitability of Caprice and Mistake" concludes that, aside from the moral implications, capital punishment should not be instituted because of the vulnerability of the criminal justice system to caprice and mistake. Hon. members cannot ignore this on the basis of the odds involved. Even if one innocent person is hanged, it is the mistake of those in this House. A brief review of the empirical or factual evidence leads me to believe that you cannot support capital punishment on deterrent grounds.

● (1530)

I have noticed that in some of the speeches given by hon. members capital punishment has been supported and refuted on the basis of moral arguments. While I don't intend to indulge in a moral or philosophical approach to this topic I would like to deal briefly with the religious authorities which some have used to support the retention of the death penalty. I do this because much of my mail on the subject cites the Scriptures in favour of capital punishment.

It has been pointed out, not only by the Solicitor General but by other members as well, that narrow scripture citations can be used to support almost any point of view. In this regard I would simply like to quote what my colleague, the hon. member for Nanaimo-Cowichan-The-Islands (Mr. Douglas), had to say about using the Scripture on this subject:

> The Bible has been quoted in times past to support slavery, child-labour, polygamy, and burning of witches. Furthermore the Mosaic law provided at one time the death penalty for over 30 crimes, including adultery, homosexuality and witchcraft.

Obviously use of Scriptures out of context should not be emphasized in this debate. Let us not play God.

The main concern, indeed, our main task during this debate, is to determine whether capital punishment—its retention—will resolve our problems with crime, not only violent murder but all crime. I mentioned at the outset of my remarks that most people who have written to me on the subject of capital punishment fear for their own as well as their children's safety. What they read in the papers daily and what they see on their television nightly is frightening them. Yet much of this may be overplayed.

There has been some evidence presented in the House to suggest that the media has heightened the public's perception of its own safety. The hon. member for Ontario (Mr. Cafik) as well as my colleague from New Westminster have cited an article in the April edition of *Psychology Today* which indicated that one of the effects of violence on television is to create a perception in people's minds whereby they believe the violence they see on TV is like the real world around them. It is worth while quoting from the conclusions drawn from the article. The article states:

> We have found that violence on prime time network TV cultivates exaggerated assumptions about the threat of danger in the real world. This may lead to increasing demands for protection and to increasing pressure for the use of force by the established authority.

The same conclusions have been reached by Hans Mohr, a criminologist, who in 1969 became the first non-lawyer

[Mr. Blackburn.]

appointed as a full-time faculty member of the Osgoode Law School. For two years Mr. Mohr was also a member of the Law Reform Commission. In a recent interview with *Quest* magazine Mr. Mohr said that the incidence of crime isn't quite as high as some would have us believe. The situation, he says, is exaggerated by society in general and by the media in particular. He says:

> Communication is so good today that we seem to hear about everything. If we live in Vancouver we hear about a murder in Toronto. If we're in Charlottetown we know about a killing in Victoria. The important thing is that this is all we hear.

What he refers to here is that we rarely hear about the nature of the crime committed, something I mentioned earlier. For instance we may get a story on the late night news that a murder has been committed, but what we don't learn is that it was a husband who shot his wife while they were both drunk. Mr. Mohr concludes, "We don't find out that this is not the sort of murder that is very likely to threaten our own lives".

I do not mean to infer that crime in our society is no less a serious problem that it was five or ten years ago. As in my own riding, crimes of all kinds are on the increase. Yet we have to realize that this debate, focusing narrowly as it does on a form of punishment for approximately 10 per cent of our crime, will do little to deal with the other 90 per cent of criminal offences.

I believe that the sizeable majority of those in this country who favour capital punishment simply want to be assured of their safety. I share this concern for safety. We must ensure that parole boards do not grant temporary paroles or temporary leaves to prisoners if their release would pose a threat to society at large. We must also ensure that those who are in prison remain there—in other words, that our prison system is secure. Bail reform must be structured in such a manner that bail is not granted to those whose release may be dangerous to society.

More important, the whole Criminal Code needs to be reviewed to ensure that punishment serves a purpose. In one of the Law Reform Commission Reports it was found that four out of seven offenders in crimes involving property went to jail for a first offence. Most of us here must surely find that intolerable. The Commission concluded that society would be better served by a system of 'diversion', i.e. a method whereby offenders and victims are given the opportunity to find their own solutions instead of having the state impose a sentence in each and every case. This type of system could be used in cases where there is a good chance that the offender will not commit another crime. As criminologist Hans Mohr stated:

> What we need most... is a change in the public attitude toward punishment, away from the idea of harsh sentences, with no real purpose. When someone commits a crime you have to look at two things: What caused the crime? How do you punish it—and what will the punishment accomplish?

Finally we must direct most of our energy to finding the root causes of crime within our society. It has been said before, but needs to be reaffirmed, that hanging is a simplistic response which may satisfy our understandable desire for vengeance and safety but does nothing to solve the problem of violence and crime.

I would like to end my brief remarks in this debate by quoting Hans Mohr once more. This last quotation summarizes my feelings towards capital punishment. He said:

I would not be against it if it did any good, if it prevented murder. But there is absolutely no indication that it does. And I cannot see the sense in trying to prevent the killing of people by killing other people.

I mentioned earlier that juries were reluctant to convict anyone of first degree murder because they are either abolitionists or are simply tired of seeing society or the government take a life for a life. I want to end on one or two more notes. I refer to capital punishment as cruel and unusual punishment, a phrase which comes, I believe, from one of the amendments to the U.S. Constitution. I believe it to be so. I also believe that 25 years in jail is an equally cruel and unusual punishment. There is absolutely no incentive toward rehabilitation regardless of that 15-year time span in which a convicted murderer may petition three Superior Court judges and then, hopefully, go to the Parole Board and perhaps in the next few years be released. Twenty-five years behind penitentiary bars, in this country at least, is probably a punishment worse than death.

What I would like to suggest, and I know it is not novel, is that the hardened criminal, the criminal who refuses to try to rehabilitate himself and be receptive to rehabilitation programs within the penitentiary system, should be forced to work at meaningful jobs in extreme protective custody. I would suggest that such prisoners be paid and that part of their money be banked, the money to go to supporting their families, if they have them, and toward defraying the cost of their own support instead of forcing the taxpayers to pay the whole load.

● (1540)

Speaking now of the hardened criminal, the hit man, the contract killer, if there is one thing that these people are absolutely terrified of it is an honest, hard day's work, because they have never lived that way in their lives; they have lived by crime. It is doubtful that this will ever get to committee, but I would suggest that some day this provision be incorporated into the 25 year or 20 year life sentence. The government is proposing 25 years now, but it may be 30 years at some point in time or it may be reduced to 20 years. Simply to lock these people up and keep them in prison like animals is inhumane. So I reiterate and re-emphasize that, as an abolitionist, I suggest the government consider getting these people out of the penitentiary for at least eight or 10 hours a day and putting them to meaningful work, which would be the toughest punishment for them but would not be inhumane.

Mr. Fraser: Mr. Speaker, may I put a question to the last speaker?

The Acting Speaker (Mr. Turner): Would the hon. member for Brant permit a question?

Mr. Blackburn: Yes, Mr. Speaker.

Mr. Fraser: Mr. Speaker, I listened with considerable attention to the hon. member's speech. On general principles I agree with his comments about the incredibly long term of imprisonment, the question of whether it is humane and whether or not it is going to create problems within the institutions which are almost beyond solution. But under this particular bill—I do not think the hon. member touched on this—when people are convicted of second degree murder, which is that type of murder that is not planned or premeditated and does not come within the special cases involving policemen, prison guards and so on but is related to crimes of passion, murders committed on the spur of the moment, usually committed by someone who has never committed a crime before and probably never will again, there is a mandatory ten year sentence.

I should like to use a dramatic example to illustrate my point.

Mr. Guay (St. Boniface): Ask your question.

Mr. Fraser: I will come to my question in a moment.

The Acting Speaker (Mr. Turner): Order. I suggest that the hon. member put his question; he is getting into debate.

Mr. Fraser: I accept your ruling, Mr. Speaker, but I must remark that when there is a debate on an issue like this and questions are permitted, which is rare enough in this House, I think all hon. members should accord an hon. member the chance to put his position.

The Acting Speaker (Mr. Turner): Order. Would the hon. member put his question?

Mr. Fraser: My question to the hon. member is this—he did not touch on this point—is he prepared to support an initiative on the part of other members to amend that particular clause so that discretion is given to judges or parole boards not to lock second degree murderers into a mandatory 10 year sentence which, if I can use the hon. member's word, I too think is inhumane?

Mr. Blackburn: Mr. Speaker, I appreciate that question because I addressed myself almost totally to capital punishment and hanging. I definitely agree with the hon. member that a crime of passion that results in murder usually happens only once; it is very seldom repeated. It is an on the spot thing, something that happens off the top of your head as a result of passion, alcohol consumption, a mixture of alcohol and drugs, or an uncontrollable urge. I also agree that it would be equally cruel and inhumane punishment to cause a person to spend at least 10 years in jail before parole. The hon. member who asked the question is a lawyer and I am not, but if I am not mistaken this is one classification of prisoner in our federal penitentiaries who in the past and down to the present has been the most receptive to rehabilitation. There is no reason in the world why they should be forced to remain behind bars for 10 years if they are receptive to rehabilitation, and most of them are.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, to me this debate on capital punishment is very important. It is also troubling, for a reason I would like to explain.

We have now before us some very specific legislation reflecting the intentions either of cabinet as a whole or of the Solicitor General (Mr. Allmand) and his advisers. This bill was not prepared and written under the influence of members but rather some expert types who prepared it

according to their knowledge and opinions. This means we have to decide on a very specific bill that does not necessarily reflect the views of members on the crime situation in Canada and the treatment of criminals.

I would like to put on record that by conscience I cannot favour capital punishment. But as a member of Parliament, I have received a mandate from my constituency. I hope therefore I reflect the opinion of one part of this country. I will therefore endeavour to see beyond my own conscience and my own views, to evaluate in the fairest and most objective way I can the crime situation in Canada, in the light of which I will make a judgement on the specific legislation introduced by the Solicitor General.

Under this bill, we would abolish capital punishment once and for all, and replace it by 25 years' imprisonment for some kinds of murders. The bill explains the various kind of murders. They call this peace and security, this bill respecting the control of firearms and capital punishment. Mr. Speaker, as the member for Lotbinière, I cannot support the bill. I am forced by my conscience to vote with those who want to retain capital punishment, for the reasons I shall explain.

There are five factors around which this debate should be centered. First of all, everyone in the House will recognize that there is a serious increase in the crime rate in Canada. This is not restricted to one province or one area, but is generalized. We can look at the hearings of Quebec's Commission of Inquiry into Organized Crime and see how criminal organized forces in a premeditated, organized and even super-organized manner, direct operations which are not only illegal, but also murderous for their own profit. It is a kind of parallel government or power. It controls the automobile market, prostitution, thieving, and so on. This is the first fact that everyone will admit.

The second fact is the one which concerns me most, is spite of the fine statements of principle of the Solicitor General who, to this date, has been satisfied with making statements. Action is still not for today, it seems. Juvenile delinquency in Canada is still seriously increasing and directly related with the crime rate. What about probation, assistance and support programs for young people who have committeed only one offence, which is not necessarily criminal? What are we doing to help these young people rehabilitate themselves? Very often they commit offences of this type because of an unbalanced or unsteady family context or because of money, education or schooling However, this minister who is asking us to abolish the death penalty has done absolutely nothing concrete to prevent crime among young people and to help them.

Fourth everyone will once again admit that the penitentiary system in Canada is completely inadequate. People go in and come out constantly, and we are no longer surprised in Canada that someone can go to prison, be released, go back in and come back out again. This happens constantly. A criminal is arrested and has a trial which costs a lot of money. The criminal is set up comfortably in prison, in spite of what some of my colleagues will say, and the first thing we know is that he has been released. When he does not get out by himself, it is with the help of the Solicitor General through the National Parole Board. And the criminal regains his freedom.

[Mr. Fortin.]

In this respect, Mr. Speaker, the National Parole Board is mainly responsible for the great concern of the public as regards the crime rate. The minister tells us: believe me, if you want us to abolish the death penalty, I promise you that we will not grant paroles in such or such a case and that we shall be very strict. This is what he says, but in the same breath, he says that if we do not approve his bill, he will resign. This is blackmail and it distorts the debate; there can no longer be a free vote under these conditions. Those who want the Solicitor General to resign will certainly vote against the bill and those who want him to stay will vote for it. Mr. Speaker, I think we should consider these factors during the debate on the death penalty. To abolish the death penalty, we would need not only the assurance but also the promise, within the framework of a very specific program that we would make assessments to control the crime rate in Canada. What methods shall we use? What shall we do? It's very nice, Mr. Speaker, to watch on Quebec TV criminals appearing before the inquiry commission, it is very entertaining. But what does it change to organized crime? What safeguards do we give to the public?

Mr. Speaker, this is a first point on which the Solicitor General shall decide once and for all. What does he intend to do to control organized crime in Canada? We do not have any answer on that subject. The minister is a staunch abolitionist but he proposes absolutely nothing to control and contain the increase in crime. It is absolutely essential and with an example I will illustrate this attitude that I cannot understand, this lack of action on the part of the government.

A criminal commits an armed robbery in a jewelry. The police is called. Policemen are paid for this as it is their function, their work to defend and protect the life and the property of the public. In Canada, policemen are armed. So they arrive on the scene of the robbery and there, Mr. Speaker, they risk their life instead of the owner if he is not there to prevent the robbery. The thieves went there not empty handed but with arms in a premeditated manner. So they chose a course of action. They developed a strategy. So they go to carry out their robbery and they are armed in case society should try to prevent them from doing so because, according to them, they have the right to take someone else's property. There are lots of laws in Canada against theft, but in the mind of those hardened criminals it is not a theft. I do not refer to the one who commits a crime of jealousy or non-premeditated offences, I refer to the organized criminal who commits a robbery. It is premeditated. He intends to take someone else's property.

I believe that in Canada we still recognize the right to private property. Society pays policemen to prevent that kind of incidents. What does happen? If policemen arrive on the scene of the crime, obviously shots will be fired. Why? Because someone wanted to earn his living honourably through his work and someone else decided not to work and not to live honourably by robbing the property of the one who works honestly all day long. This is a theft.

Such a theft is usually made by someone who refuses to proceed in the normal way to get an income and wants to take advantage of the income of another who has worked and took some pains to earn one. Then, Mr. Speaker, the

policeman risks his life to protect and prevent such an action. The thief who is caught or taken by surprise takes flight, trying to save his skin. For the policeman, it is self-defence since he is on duty. This is why he wears a uniform, he is armed and trained.

Finally, Mr. Speaker, two things might happen after such a hypothetical incident. The policemen finally catch the criminal or the thief who is tried and with supporting evidence is finally jailed. Then the Solicitor General intervenes after merely a few years. The statistics are there to show that the same thief is caught back and discharged again. Such a thing happens.

When gun shots have been exchanged, Mr. Speaker, and a police agent has been injured, and I know at least two who are completely paralysed, who will be incapacitated for life, and a third who is all crippled following an act committed while on duty, it is therefore a premeditated murder. Some might say, it is an accident, that it derives from the theft. That is the argument put forward by my predecessor from the NDP—

● (1550)

[*English*]

The Acting Speaker (Mr. Turner): Order, please. It being four o'clock p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, notices of motions, and private bills.

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, there have been ongoing and fruitful negotiations, as befitting the prospects of a nice week end, relating to private members' business. It has been agreed by all parties that we will deal with the report stage and third reading of Bill S-33. This bill will be dealt with by the Parliamentary Secretary to the Minister of Regional Economic Expansion (Mr. McIsaac), and it is my understanding that it will proceed through the report stage and third reading. We will then deal with Bill C-242, which is being reported to the House, standing in the name of the hon. member for Toronto-Lakeshore (Mr. Robinson). I understand there will be a short speech by a member of the opposition on that bill, and then we will proceed in the normal course to Bill C-245, again standing in the name of the hon. member for Toronto-Lakeshore. There is agreement as well that all other private members' motions and bills would be stood at the request of the government in order for us to proceed in this way.

Mr. Baker (Grenville-Carleton): Mr. Speaker, on the same point of order I just want to make sure I heard the parliamentary secretary correctly. Did I hear him say that first we would be dealing with the Bill S-33, and then Bill C-242 in the name of the hon. member for Toronto-Lakeshore (Mr. Robinson)?

Mr. Blais: Right.

Mr. Baker (Grenville-Carleton): Mr. Speaker, so far as the public bill, S-33, is concerned, there is no problem. As the House leader suggests I am prepared to say we will consent to the two stages today. I have nothing to do with any negotiations in respect of private members' bills. I just wish to make that clear.

The Acting Speaker (Mr. Turner): It is my understanding that Bill C-242 will come up automatically.

Mr. Blais: Yes, it will, but there have been negotiations.

Mr. Paproski: No, there have not. With whom have there been negotiations?

Mr. Blais: Mr. Speaker, we will let things fall as they may.

The Acting Speaker (Mr. Turner): Do I understand that we have unanimous consent to proceed in this fashion?

Some hon. Members: Agreed.

● (1600)

PRIVATE BILLS

[*English*]

UNITED GRAIN GROWERS LIMITED

Mr. Cliff McIsaac (Parliamentary Secretary to Minister of Regional Economic Expansion) moved that Bill S-33, respecting United Grains Growers Limited, as reported (without amendment) from the Standing Committee on Miscellaneous Private Bills and Standing Orders, be concurred in.

Motion agreed to.

Mr. McIsaac moved that the bill be read the third time and do pass.

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

PRIVATE MEMBER'S PUBLIC BILLS

[*English*]

NON-SMOKERS RELIEF ACT

MEASURE TO PROVIDE RELIEF TO TRAVELLING NON-SMOKERS

Mr. W. Kenneth Robinson (Toronto-Lakeshore) moved that Bill C-242, respecting relief to non-smokers in transit, as reported (with amendments) from the Standing Committee on Health, Welfare and Social Affairs be concurred in.

Mr. Baker (Grenville-Carleton): Mr. Speaker, there are two Bakers involved in this bill. Where is the other Baker? Is there another member?

Mr. Blais: The one who seconded the motion has just stepped outside, Mr. Speaker.

Mr. Baker (Grenville-Carleton): I do not want any misunderstanding. I said earlier this is a private member's bill and I do not want to become involved because in terms of private members' hour I think it would be improper for me to do so under these circumstances.

Smoking Ban

Mr. Blais: Mr. Speaker, there are two Bakers in the House.

The Acting Speaker (Mr. Turner): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

Mr. Towers: Mr. Speaker—

The Acting Speaker (Mr. Turner): I am sorry, but there is no debate at the report stage. The motion now is for third reading.

Mr. Yewchuk: I rise on a point of order, Mr. Speaker. I wish to point out that I am not clear concerning why the Chair decided there would not be any speeches at the report state. There indeed were about five amendments made in the committee. I was present at the committee meeting when they were made.

The Acting Speaker (Mr. Turner): Standing Order 75(14) states:

When a bill has been reported from a standing or special committee, and no amendment has been proposed thereto at the report stage, and in the case of a bill reported from a Committee of the Whole, with or without amendment, a motion, "That the bill be now read a third time and passed", may be made in the same sitting.

Mr. Robinson moved that the bill be read the third time and do pass.

Mr. Gordon Towers (Red Deer): Mr. Speaker, I should like to congratulate the hon. member for Toronto-Lakeshore (Mr. Robinson) for his efforts on behalf of a large number of Canadians. There is no doubt that the hon. member who sponsors this bill is doing so on the basis of kindness and consideration for others. If you prefer, he would seem to be placing the well-being of others before one's self. I am sure non-smokers, particularly those who suffer from asthma, emphysema, or a similar ailment, are grateful to the hon. member for his efforts to enable them to travel in comfort. In some cases people are unable to travel because of the effect of smoke in a confined area.

I believe we should stop to consider how this bill, if it should pass, could be administered. Would a passenger, whether on a bus, a train or an airplane, who insisted on smoking be charged with an offence? Who would have the responsibility of charging him or her if the law had been broken? A passenger cannot be removed from a vehicle which is airborne. There would be fairly disastrous results. It would be difficult, if not impossible, to remove a smoker from a train or a bus midway between the place of boarding and the destination.

As a non-smoker I agree with the purpose of this legislation, and I appreciate the problems many travellers experience while en route in a smoke-polluted vehicle. The question is, can a human being's habits or behaviour be totally controlled through legislation? Surely our society has not reached a level where common courtesy has disappeared and ordinary manners have been overlooked or forgotten to the extent that laws have to be enacted to force one human being to treat another in a humane manner. I would certainly not want to believe that degree of selfishness has developed, or ever will.

I know one Canadian airline for a while placed all non-smokers toward one end of the aircraft, at the back, with smokers forward. There were too many non-smokers, so their positions had to be reversed to retain balance. This proves that the majority of the travelling public would probably welcome an arrangement whereby they could travel in a smoke-free vehicle. Would those who dislike smoke or who suffer from inhaling it be willing to have a member of their family or a friend seated elsewhere because he or she would be smoking? Would a family travelling together accept the rule, if it were in effect, that all smokers had to be seated in a separate area?

Think of the inconvenience, for example, if one parent smoked and the other did not. They would be compelled to sit in separate sections, only one of them being with the children. The father or mother would not be able to leave the smokers' area to join them because there would not be space for her or him, since the space paid for was for the entire journey.

In earlier years trains had a coach for smokers, and that did not seem to cause any problem. Passengers merely returned to the regular car until the next smoke. Theatres have designated areas for those who smoke, and many restaurants have recently set aside a room so non-smokers can enjoy their meals in comfort. One does not need to suffer from a respiratory illness to find smoke-filled air unpleasant, or even sickening, and the fact that smoke-polluted air can cause ill health, in itself should be sufficient reason for smokers to refrain from giving in to the habit while travelling, or being very sure that they are not adding, to too great an extent, to the discomfort of their fellow passengers.

● (1610)

With the railways and airlines in this country financially running in the red, so to speak, year after year, would they not be willing, even desirous, of formulating policies on their own to ensure the well-being, comfort and health of their customers? Perhaps a little encouragement in the right way, offering reasonable suggestions and pointing out that such a policy would be to their financial advantage, would result in positive and effective action being taken without creating force through legislation, which this bill would do.

I have been informed that at least one airline in Canada will make an attempt to take care of travellers to whom smoke is a health hazard. If the passenger cannot manage to contact officials prior to his flight time, he or she should be able to mention the fact when having his or her ticket processed. An additional simple step in the right direction would be for the stewardess who demonstrates the use of oxygen masks or serves meals, etc., to ask if anyone on the plane wishes to move to a smoke-free section, and if there is anyone who would be willing to transfer with a traveller who should be in his area because of smoking or not smoking.

If airline passengers knew the rules, and those rules were emphasized right on the ticket envelope and in ticket offices, as well as in newspaper advertisements, most adults would go along with the policy. I doubt that as

many would willingly be removed under this proposed law when smoking in a restricted section of an aircraft, be charged with breaking a law, and eventually pay the penalty, whatever it may be. Would reasonable and ordinary procedures such as this not be acceptable without adding another restriction to the lives of Canadians? Adjustment takes time, but people can be persuaded more easily than they can be forced. Good public relations must never be overlooked when one human being is associated with another.

Unfortunately there will always be those who have no feeling for or consideration of others, and there is no doubt that is why the member for Toronto-Lakeshore introduced this bill. He did so because persons have experienced difficulty, healthwise or because of concern for their future health, and I too have received representations for assistance to have a sensible policy adopted.

As far as buses are concerned, most of them are air conditioned, and little would be gained by assigning a certain number of seats for smokers. The smoke would circulate, but would be removed at the same time.

With all respect to the hon. member who sponsored this thoughtful bill, I can only repeat my earlier question: can manners be legislated? While a habit such as smoking is not ill-mannered, the abuse of any privilege is inconsiderate, and I would say that falls into the category of politeness and courtesy. To sit in a train, a bus, or a plane and blow smoke on to a fellow traveller or into the air around that person or persons is just as impolite as letting a door close behind you without looking to see if someone is following and could be hit. A program of self-analysis, through various departments is needed to point out what living is all about, that this world is made up of people, not just of one selfish, self-centred, self-indulgent human being.

Can people not place themselves in the shoes of others, at least part of the time? Could one who is a heavy smoker stop long enough to think how he or she would like fumes blown into his or her face, on to his or her clothes, and through the air around his or her immediate area? Would a smoker, whose sense of smell I have been told is not sensitive, like to breathe garlic, cheap perfume, or some unpleasant odour, for an indefinite period without any means of escape or relief?

I was amazed to realize just recently that visitors to hospitals expect to smoke right in the sickrooms. Some were indignant because they were refused entrance to an area where oxygen was in use to save lives. If that is not an example of thoughtlessness and lack of consideration, it would be hard to find one. Legislation cannot change that type of person—education and advertising could on the part of the carriers.

The solution to the problem of habitual smokers would seem to me to be one of education—signs, as used in stores; warnings in appropriate areas about health hazards to smokers and to everyone; a sentence or two added to advertisements for trips; travel agencies could co-operate. I would even go so far as to suggest that the CBC—which cannot be interfered with by the cabinet or reached by anyone else in this Chamber who has criticism or suggestions—be instructed to remove the use of tobacco from its televised productions. Not being a TV viewer on a regular basis, I have been told that seldom, if ever, is there a show on CBC without a cigarette or pipe hanging from the mouths of the performers.

The Department of National Health and Welfare is attempting to curb the smoking habit, and that deserves the co-operation of every Canadian. Why not have this Crown corporation, which reaches practically all homes in this country, join that department in its efforts and even mention that smoking is a health hazard? Could the CBC not have programs without anyone smoking, or consuming alcohol for that matter? If a producer feels that he is harming viewers by omitting the use of tobacco, one of the performers could say a sentence or two about polluted air, good health and how precious it is. That would be a service to smokers and non-smokers, to children and to adults, to restaurants, hotels, airlines, trains, and buses.

I understand well that it is not easy for anyone in business to try to dictate to a customer, and I would not expect that type of service. A few well placed signs, however, and the comment that there is a separate area for those who desire to smoke would not be out of place when a person enters an establishment. That would be far better than to ask people to leave after they have become settled, causing embarrassment, and more than likely losing future business.

Again I say that legislation to control the manners and personal habits of people would be looked upon as another restriction. What would the punishment be if anyone refused to avoid or leave a prohibited area on a federally controlled vehicle on land, water, or in the air? Would a traveller who broke the regulations be refused accommodation in the future? Who would decide on the penalty? How could such legislation be administered on a just basis? In my opinion the general public is already faced with and hampered by too much legislation and government interference—

Some hon. Members: Hear, hear!

Mr. Towers: —without getting into the implementation of rules relating to their habits.

I agree that a problem does exist and that the health of everyone is affected by smoke, whether inhaled directly or with polluted air. I also believe that people, if approached in a sensible and reasonable way, will follow limits put into effect by the operators of public vehicles. They get along all right in theatres and stores where smoking is prohibited; they would go along with designated areas for their use while travelling.

I am sorry to have to disagree with the hon. member, but the passage of this legislation, in my view, is not in the best interest of Canadians. I do not think it would accomplish that which the hon. member would like it to do, and for that reason I do not think that the House of Commons should allow its passage at this time.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I thought I would make a few comments on this bill as well since it is connected with health in a general way. I do not think anybody will argue with the idea that non-smokers are entitled to clean air no matter where they may be, whether it be in transit or at work, at home or at play, or anywhere else.

Smoking Ban

● (1620)

We know from many years of experience with smoking that it is a hazardous habit creating all kinds of difficulties for many people. I suppose the most common difficulty we face is allergy. A very high percentage of Canadian people are allergic to cigarette smoke. Some of the problems it causes for them are stuffy noses, runny, itchy eyeballs, and of particular significance in transit in an aircraft is the swelling of the mucous membranes of the respiratory tract which result from the allergy which results in obstruction of the channel between the middle ear and the throat, known as the Eustachian tube. With the obstruction of this tube resulting from irritation by smoke one can experience severe middle ear pain during ascent or descent of an aircraft. For that reason alone, if for none of the many others, it is a good idea to ensure that people who have allergies to cigarette smoke are given access to transportation conveyances which are free of cigarette smoke in the interests of their own comfort.

We also know that cigarette smoke, and perhaps pipe and cigar smoke—although pipe and cigar smoke have not been incriminated as cigarette smoke has in these areas—contribute to a whole host of respiratory tract disease such as bronchitis, bronchiectasis, emphysema, and even cancer of the lung. Cancer of the lung is not necessarily the worst one because the others can lead to death as well in the long run. Most people who have studied this problem realize that cigarette smoking is a health hazard. Whether the smoke is inhaled by smoking or inhaled secondhand from someone else's exhalations, the results are the same.

However, I want to point out that over the past 30 years one particular habit has been going on; I am sure everyone has seen signs in trains, buses, airplanes and so on saying "Cigarette Smoking Only", as though cigarettes had some kind of a sweet and healthy quality about them as opposed to pipes or cigars. The fact is that in studies which have been carried out, pipe smoking and cigar smoking have been shown to be less hazardous to health than cigarette smoking. I do not want to go into the technical details of why and how, but many of the studies I have examined tend to point in that direction. Therefore it is rather strange that over the years the pipe smoker and the cigar smoker have been somewhat abused, with the cigarette smoker having his way pretty well everywhere he goes and causing a lot of trouble for the non smoking portion of the public.

What we have had for the past 30 years essentially is that pipe smokers or cigar smokers in transit have become non smokers. I think that is something we should look at very carefully. We should consider the fact that this segment of the smoking population, when in transit, does not smoke at all.

Mr. Mazankowski: Are you a cigar smoker?

Mr. Yewchuk: It is possible, therefore, to give up smoking while in transit because the cigar smoker and the pipe smoker have been doing it for many years. When a cigarette smoker in transit complains his head off because he must have a cigarette while in transit, I have no real sympathy for him because it seems to me that if a cigar smoker can give it up—and I do not think anybody will argue the fact that a cigar is much more pleasant smoking material than a cigarette—we should be thinking about the possibility—

Mr. Mazankowski: Will the hon. member permit a question? The hon. member expressed a great deal of concern about cigar smokers being deprived of the right to smoke while in transit. Is he suggesting that this bill is really doing the opposite to what he suggests? In other words, is he suggesting that we should be expanding the bill to allow cigar smokers to smoke rather than just to deprive cigarette smokers and pipe smokers?

Mr. Yewchuk: I will try to clarify this matter for my hon. friend to the best of my ability.

Mr. Knowles (Winnipeg North Centre): Answer him at your next caucus.

Mr. Yewchuk: Perhaps we will take up the discussion at the next caucus.

Mr. Paproski: This is a private member's bill.

Mr. Yewchuk: The hon. member for Vegreville (Mr. Mazankowski) raised a very important point, and I do not want to be in a position where I may be misinterpreted in so far as my intentions in this debate are concerned. I am simply pointing out that smoking is unnecessary.

An hon. Member: So is drinking.

Mr. Yewchuk: I will get to that in a minute, but we know from experience that certain types of smokers have been able to give up their habit while in transit, and I am trying to make the point that it is possible for all smokers to do the same. I hope that clarifies my position in that regard.

Some of the things we noted while this bill was before committee were representations made by the railways, the airlines, and the bus companies. They made the point very emphatically that they thought this kind of legislation was totally unnecessary, mainly because they have already been following the practice of designating smoking sections and non-smoking sections on a voluntary basis for quite some time. It leads one to wonder why the hon. member for Toronto-Lakeshore (Mr. Robinson) felt that it was suddenly necessary to pass laws to cover something which is already being done. The hon. member appeared before the committee a couple of times, but on neither of those occasions did he provide any satisfactory explanation for wanting this bill rammed through the House in a hurry to become law.

As Conservatives we believe we have faith in humanity. We believe that the ordinary citizen of this country or of any other country is a considerate and humanitarian person who is always courteous enough to consider the feelings of other people in his vicinity, and if a sign has been put up voluntarily by an airline, a bus company or a railway company, we take the position that because of this basic courtesy people tend to obey these signs regardless of whether there is a law.

On the other side of the coin, if there is someone who is so discourteous that he will not abide by a sign such as the one I have just described, then I cannot see how this law would make any difference at all. In committee we

explored in some detail the idea of the application of this bill if it should become law, and the fact is that it is almost totally impossible to enforce. The proponent of this bill himself stated that he felt there would be many occasions when it would be impossible to enforce any law emanating from this bill.

The hon. member for Red Deer (Mr. Towers) briefly touched on the application of this law, and I would like to go into a little more detail in that regard. It seems to me that the situation is that if a smoker is in the non-smoking section of an aircraft over Saskatchewan, smoking to his heart's content and refuses to put out his cigarette when one of the beautiful hostesses asks him to do so, there is nothing more she can really do. She cannot fight or wrestle with the fellow, or hit him on the head with a club. She might simply ask him for his name, and when the aircraft lands report that name to the first policeman she can get her hands on. Normally in Canada there are RCMP constables patrolling air terminals.

● (1630)

I suppose the idea is that a hostess would find a policeman, point out the culprit as he was getting off the aircraft and expect the policeman to lay a charge. That looks all right on the surface, but when we consider that the laws are applied by the provinces, we have a problem. If a man is smoking over Saskatchewan and gets off the aircraft in Ontario, he cannot be charged in Ontario. He has to be charged in Saskatchewan. The RCMP would have to wire back to their colleagues in Saskatchewan to lay charges and have him appear before a magistrate there in the hope that he would plead guilty and pay the fine, or try to explain things. It is my impression that he would not feel obligated to take the next flight to Saskatchewan to face charges—indeed he might never go back at all.

We will wind up with a lot of charges on the books that will never be carried through. That just takes care of the situation within our own borders, mind you, and the international situation becomes much more complicated. If a flight lands in Canada and the offence is committed in Canada we might eventually get to the bottom of it, and perhaps the individual would be fined. If the flight is going outside Canada, to the United States, for instance, it happens that RCMP constables just do not patrol air terminals there nor in Europe. If the lady gets off the aircraft she has absolutely no recourse, nobody to whom to complain. Perhaps if she happened to come back to Canada the next day and the culprit were on the same flight she could lay a charge when she arrives in Ontario and it would be relayed to Saskatchewan. It becomes very complicated, Mr. Speaker.

There is then the problem of aliens who commit an offence over Canadian territory and refuse to abide by our laws. Once they are out of the country no charges can be laid at all. If the traveller were going outside the country the hostess would probably just forget about telling the policeman. Even if a charge were laid the chances of it being heard before a magistrate in this country are almost non-existent. So, Mr. Speaker, the proposed bill is of doubtful validity.

If an Air Canada aircraft were flying over the United States, or the ocean, or Europe, and a smoker refused to put out his cigarette in the non-smoking section, theoretically that crime would be committed outside our jurisdiction. What would be the point then in the hostess complaining to the police in Canada? They have absolutely no control over anyone who committed the crime of smoking in a non-smoking area somewhere over Europe or the United States.

The witnesses heard before the committee, the Parliamentary Secretary to the Minister of National Health and Welfare (Mr. Kaplan), and the hon. member for Toronto-Lakeshore, were ill-informed and ill-prepared. They could not give us any statistics on the ratio of passengers flying on Canadian airlines over other countries in relation to the number who fly over our own air space. Without that information it is virtually impossible to determine to what extent this law should be applied. It seems to me if the hon. member for Toronto-Lakeshore were really serious about wanting the bill to pass, and if the parliamentary secretary who spoke on behalf of the government and said it wanted it to pass—if they had done their homework and presented all the facts we could have made a proper assessment of the bill and determined its validity.

My hon. friend from New Brunswick, who is in the habit of accusing me of taking cheap shots in committee and in the House—

Mr. Corbin: On a point of order, Mr. Speaker, first of all I should like to emphasize that I was not addressing myself to the hon. member across the way who has the floor. The only problem is, he has pretty sharp ears. Now that I have the floor I must say that that was a cheap shot.

Mr. Yewchuk: Mr. Speaker, I am sorry that the hon. member for Madawaska is so sensitive to hearing the truth.

Mr. Corbin: Mr. Speaker, on a further point of order I should like to inform the hon. member that the name of my riding is Madawaska-Victoria, and I am pretty proud of that.

The Acting Speaker (Mr. Turner): Order, please. I would suggest that we stop taking cheap shots at each other and get back to the subject of the bill.

Mr. Yewchuk: Mr. Speaker, I want to make it quite clear that I think that the hon. member's riding is a great place. I was not casting any reflections at all on the riding of Madawaska-Victoria. I am sure he has good reason to be proud to represent that riding. If I represented it I should be proud as well. I was reflecting on the hon. member himself rather than on the riding.

Mr. Corbin: That is why I am such a good representative.

Mr. Yewchuk: I will not express any opinion on whether the hon. member is a good representative or not; we will let the people of his riding decide that.

The other thing that bothers me about the bill is the rather narrow approach to the question of smoking in public places. I am sure if the hon. member had given it some thought he would have realized that people spend very little of their living time travelling in aircraft or

buses. Perhaps members of parliament spend more time than other people doing that, but it still does not amount to more than two or four or ten hours a week.

Mr. Pearsall: He does not know where B.C. is.

Mr. Yewchuk: The hon. member says he spends more than ten hours a week in an aircraft. It is a good place to hide, or work, or sleep.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member but his allotted time has expired. He may continue with the unanimous consent of the House. Does the hon. member have unanimous consent?

Some hon. Members: No.

Mr. Neil: Mr. Speaker, I should like to put a short question to the hon. member who just spoke. I gather that he believes in the principle of the bill. Does he support the bill itself?

Mr. Yewchuk: I think the principle of the bill is pretty good as far as it goes in that it proposes to provide a clean air space to people in transit. As far as supporting the bill itself is concerned, I think we are going to have to wait until the vote is called.

Mr. Bob Kaplan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, as has been mentioned by a number of others, this is a private member's bill—a bill respecting relief to non-smokers in transit. It is not a bill on which supporters of the government have been asked to vote in favour, but it has been made very clear that it is supported by the Minister of National Health and Welfare (Mr. Lalonde) to the extent that hearings have been held.

I want to congratulate the member responsible for carriage of the bill, the hon. member for Toronto-Lakeshore (Mr. Robinson). During the committee hearings we learned that the bill was supported not only by the interest groups from whom one would have expected support, such as the non-smokers' associations that are forming all over the country, health associations, the group who represented the doctors, but the carriers themselves supported the bill. The bill is even being supported by the tobacco industry and others from whom one would have expected opposition.

● (1640)

Those hearings indicated conclusively that there was general support for the bill. Now, when the bill comes back in the House, the Conservative party seems to be determined to use the rules of procedure in this House to keep the bill from being voted on today.

Mr. Paproski: We support the bill.

Mr. Kaplan: We have 17 minutes left.

Mr. Paproski: You are filibustering.

Mr. Kaplan: I urge opposition members to use those 17 minutes constructively to see if the bill will carry and be sent to the Senate.

[Mr. Yewchuk.]

Mr. Dean Whiteway (Selkirk): Mr. Speaker, it is always difficult to follow my colleagues, the hon. member for Red Deer (Mr. Towers) and the hon. member for Athabasca (Mr. Yewchuk). Over the years, they have demonstrated that they have a great deal of insight. Their astute sense of analytical judgment is surpassed by few in this House.

Nevertheless, upon superficial reflection on this bill, one would think it would be rather straightforward. However, I believe it raises some deep philosophical questions. Being a political scientist by profession—

Mr. Guay (St. Boniface): You wouldn't think so.

Mr. Whiteway: There is my good friend, the hon. member for St. Boniface (Mr. Guay). I remember in times past my good friend from Manitoba. I would have thought in this last private members' hour my friend from Manitoba would have been more interested in bringing forth a private members' bill on the Endangered Species Act in order that he may protect the endangered species of Liberals in western Canada.

Some hon. Members: Hear, hear!

Mr. Guay (St. Boniface): We are a species that will never die.

Mr. Whiteway: There he goes talking about species. We on this side of the House have been interested lately in the Freshwater Marketing Corporation. Speaking of species of fish, the hon. member for St. Boniface is not unlike that species known as a jellyfish, which is described as a jelly-like substance with no backbone.

The Acting Speaker (Mr. Turner): Order, please. I suggest that the hon. member get back to the subject under discussion.

Mr. Whiteway: I am getting to that, Mr. Speaker. Had you given me the opportunity I am sure you would have seen the relationship of my previous remarks to the legislation.

I looked back in history to see what the various philosophers, and this is basically a philosophical question, had to say about this matter of liberty of smoking. I looked at Kiergagaard and the existentialists. I had to bypass him. I looked at Hegel with the cyclic history concept and his emphasis on the thesis and the antithesis and the synthesis, and I had to pass over him. I looked at John Locke, and the state of nature and the noble savage idea, and I thought that was not applicable.

I looked at Furebach and his concept on materialism, and I looked at Jefferson on democracy. I looked at Marx and his concept of relations of production, and that was not applicable. I looked at Eugene V. Debbs and Norman Thomas for the sake of my friends here on my left, and I thought perhaps they had no more to say than they had to say on the economic theory of the country.

I looked at the Bible to see whether the biblical Christian concept had anything to say about this whole idea of smoking. I looked at the Decalogue, the dispensationalists and the escatalogical ontologists and I felt they did not warrant this kind of consideration.

At last I did come across a man, John Stewart Mills, and his essay of 1859 "On Liberty". Although the flame of that essay was written 100 years ago, it burns as brightly today as the day it was lit. I want to bring to the attention of the House some quotes from that essay. I quote:

> That the only purpose for which power can be rightfully exercised over any member of a civilized community, against his will, is to prevent harm to others. His own good, either physical or moral, is not a sufficient warrant. He cannot rightfully be compelled to do or forebear because it will be better for him to do so, because it will make him happier, because in the opinion of others, to do so would be wise, or even right. These are good reasons for remonstrating with him, or reasoning with him, or persuading him, or entreating him but not for compelling him, or visiting him with any evil in case he do otherwise. To justify that, the conduct from which it is desired to deter him must be calculated to produce evil to someone else. The only part of the conduct of any one, for which he is amenable to society, is that which concerns others. In the part which merely concerns himself, his independence is, of right, absolute. Over himself, over his own body and mind, the individual is sovereign.

I believe that this bill, in terms of the liberty of one to smoke in public places or not, has some deep implications in so far as if it would become law it would become part of our constitution, and we know that some men look at constitutions with sanctimonious reverence and deem them like the Ark of the Covenant, too sacred to be touched. However, I know that laws and institutions must go hand and hand with the progress of the human mind.

This is the point that I want to make. The progress of the minds of Canadians is far ahead of the progress of the government and of the progress of the member opposite who is introducing this legislation. In substance, and in the spirit of this proposed legislation, I would not disagree. However, he is introducing legislation that in fact puts into place that which has already been done, accepted, and implemented by most Canadians.

Some hon. Members: Hear, hear!

Mr. Whiteway: He who would do his country the most good must go quietly with the prejudice of the majority until he can lead them into reason. The reason of Canadians has already led them into the very kind of action that the hon. member is proposing in this legislation.

So that I would know something of which I am speaking today, in order that I can be distinguished from hon. members opposite, I did some investigation. Upon calling Canadian National Railways I found that for 20 years they have had smoking and non-smoking sections on their train cars. They are now engineering and are pioneers in a new concept known as mobile separaters. According to this new innovative technique by Canadian National Railways, they will have these separaters which will be moved according to the number of smoking and non-smoking passengers in any given car. You would not out of necessity have to sit in a smoking section simply because there was a permanent fixture there if in fact you were a non-smoker and they were in the majority in that particular train car. On the new turbo train they have set aside not one part of a car or one car, but two cars on every train as non-smoking cars.

I then thought that while perhaps that may be true of national companies, what about obscure or relatively obscure companies in other areas? Everyone in Manitoba knows that the public transit system in Toronto is run by the Toronto Transit Commission. But I am surprised that many people in Toronto have not heard of Grey Goose Bus lines. Anyway, I phoned Grey Goose and asked them about non-smoking sections in their buses. They informed me that they were years ahead of the hon. member opposite and that the Canadian Motor Coach Association has been, and is, enforcing regulations to this effect—that the first five seats on every bus are reserved for non-smokers.

● (1650)

Because we in this House are perhaps more inclined to fly than we are to drive, some facts about the arrangements made to accommodate non-smokers on aircraft would be of interest. I checked with Air Canada and found that on 747s two of the first four cabins are set aside for non-smokers. On DC-9s as well as on 727s, the first 13 rows are reserved for non-smokers. I could go on. The documentation is massive and exact.

An hon. Member: Parliament lives!

Mr. Whiteway: The facts I have outlined clearly indicate that the progress already made is well in advance of the intention set out in the hon. member's legislation.

I am not a lawyer. I have always made my living honestly.

Mr. Guay (St. Boniface): We can take a joke.

Mr. Whiteway: Speaking of jokes, there was a joke going round St. Boniface in years past. I understand he is now a member of the House of Commons. In the high schools of Manitoba they teach that to be good law, legislation must conform with three basic criteria. It must be reasonable, it must be enforceable, and it must be punishable. I suppose the bill before us does address itself to all three of these ingredients. However, some of my own friends draw attention to the pitfalls which exist with respect to enforceability. I would refer in particular to one provision concerning motor vehicles which travel from one province to another. According to a provision in Part I, clause 2(d), this might indeed apply to smoking in the non-smoking section of a limousine in use for transporting passengers to an airport, and I do not think that is a very practical application.

Above all, a law should be able to stand the test of whether or not it is acceptable by society. The very fact that the purpose of this legislation has already been accomplished *de facto* makes it unnecessary for a law to be enacted on the subject. There is one thing which can be said of Canadians: they are not under-governed. There is an old dictum of political scientists, perhaps more honoured in the breach than in the observance, that governments govern best which govern least.

Some hon. Members: Hear, hear!

Mr. Whiteway: As a non-smoker and one who is in agreement with the spirit of the proposal, unless I should be accused of talking out this legislation with three minutes still left to go, I shall yield the floor to one of my hon. friends.

Mr. Peter Elzinga (Pembina): Mr. Speaker, I should like to say at the outset that I am bitterly opposed to this bill for reasons which my hon. friends have stated. Whether an

individual is a smoker or not has nothing to do with the argument, because the airline carriers and the people who run the bus lines and the railways have already conformed to the intent of this measure.

My hon. friends from Vegreville and Moose Jaw have drawn attention to the conclusion of the Law Reform Commission that we should do away with legislation which has no meaningful purpose. Yet here we have a bill which is without a meaningful purpose. I cannot understand why legislation should be introduced to force somebody to do something which is already being done on a voluntary basis.

I should like to make one comment about the hon. member opposite, the hon. member for Toronto-Lakeshore (Mr. Robinson). I find him to be a very admirable gentleman. I told him in committee that I was bitterly opposed to this legislation and he knows this is my stand. But I think it should also be said in this Chamber that he is a gentleman who has contributed a great deal to the welfare of this country.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I rise on a point of order, Mr. Speaker. So that we may hear the rest of the speech of the hon. member for Pembina (Mr. Elzinga) and perhaps reach a decision on this bill, I wonder whether the House would give unanimous consent to sit until 5.30?

The Acting Speaker (Mr. Turner): Is there unanimous consent?

Some hon. Members: No.

Mr. Elzinga: It is interesting to note what individuals associated with transportation in this country said when they appeared before the committee with regard to this piece of legislation. Mr. Thompson of the Canadian Motor Coach Association gave evidence that the system which had been introduced in the motor coach industry had been adopted on a voluntary basis, and that whether or not the bill became law he believed that system would continue. Carriers, he told the committee, were obliged to do these things by public pressure whether they wanted to do them or not.

The Acting Speaker (Mr. Turner): Order. The hour set aside for the consideration of private members' business has now expired. This House stands adjourned until Monday next at 2 p.m., pursuant to Standing Order 2(1).

At 5 p.m. the House adjourned without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, June 7, 1976

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

UNEMPLOYMENT INSURANCE

REQUEST FOR DETAILS OF ALLEGED SCHEME TO DEFRAUD THE COMMISSION—MOTION UNDER S.O. 43

Mr. Tom Cossitt (Leeds): Mr. Speaker, I rise under the provisions of Standing Order 43 to propose a motion of urgent and pressing necessity concerning the Unemployment Insurance Commission of Canada. I move, seconded by the hon. member for Winnipeg South Centre (Mr. McKenzie):

That the Minister of Manpower and Immigration advise the House of details concerning employees of the Unemployment Insurance Commission of Canada making use of the commission's internal form numbers 1116 and 1171 to infiltrate the commission's payment system without opening actual claim files, and finally that the minister give the House an estimate of the amount of money defrauded by this method, details of steps taken, if any, to deal with this rip-off, and if no steps have been taken, an explanation as to why not.

Mr. Speaker: Order, please. Such a motion pursuant to Standing Order 43 can be presented only with the unanimous consent of the House.

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

PUBLIC SERVICE

REQUEST FOR DELAY IN PROGRAM OF RECLASSIFICATION PENDING ADOPTION OF COMMITTEE RECOMMENDATION—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave to present a motion under the provisions of Standing Order 43. In view of the fact that the Special Joint Committee of the Senate and House of Commons on Employer-Employee Relations in the Public Service recommended that classification should become a matter of collective bargaining, some of us feel that the Treasury Board should slow down rather than speed up the process of reclassification until parliament has acted on this recommendation. I therefore move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That this House urges the Treasury Board to postpone its program of wide ranging reclassification of public servants until parliament has acted on the recommendation of the Special Joint Committee of the Senate and House of Commons on Employer-Employee Relations in the Public Service to the effect that classification should be made a matter of collective bargaining.

Mr. Speaker: Order, please. Standing Order 43 requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

INDUSTRY

REQUEST FOR MEASURES TO AID PULP AND PAPER COMPANIES—MOTION UNDER S.O. 43

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, pursuant to Standing Order 43, I ask for the unanimous consent of the House to present a motion of pressing and urgent necessity.

Since one of the main conclusions drawn by the Baker Weeks brokers' firm indicate that the Canadian pulp and paper industry will register a decline this year over last year, and the impact those difficulties may cause in the future and which may go as far as forcing plants to close down for an indefinite period, I move, seconded by the hon. member for Roberval (Mr. Gauthier):

That the House immediately survey the present situation and the anticipated situation for this year in the pulp and paper industry so as to introduce necessary correcting measures to counteract the negative consequences of such a recession on the economy and the employment.

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There not being unanimous consent, the motion may not be put.

* * *

● (1410)

[*English*]

AIR CANADA

REQUEST FOR INVESTIGATION OF FINANCIAL OPERATIONS OF COMPANY—MOTION UNDER S.O. 43

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity regarding the

financial fiasco in Air Canada which, during the first four months of this year, has experienced a net loss of $14,474,-783.29. In light of the fact that such a net loss can be attributed to the contracting out of financial work and such things as the writing off of a debt of $186,000 of Electronic Associates Canada Ltd. of Toronto, Ontario, I move, seconded by the hon. member for Selkirk (Mr. Whiteway):

That this House instruct the Minister of Transport to launch an immediate investigation into the finances of Air Canada and, in particular, why debts such as the one of Electronics Associates of Canada are permitted to accumulate to such levels and then written off. Furthermore, that after the Minister of Transport has investigated the situation and reported to this House that action be taken to rectify the financial problems of Air Canada by stopping the contracting out of financial work and taking steps to recover the debts such as the $186,000 owed by Electronics Associates of Canada.

Mr. Speaker: Order, please. Standing Order 43 requires unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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FRESHWATER FISH MARKETING CORPORATION

REQUEST FOR INVESTIGATION OF ALLEGATION CORPORATION NOT COMPLYING WITH PROVISIONS OF ACT—MOTION UNDER S.O. 43

Mr. Dean Whiteway (Selkirk): Mr. Speaker, I rise, too, under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In light of Part III, Section 23, Subsection (2) of the Fish Marketing Act, and in view of the fact that the Freshwater Fish Marketing Corporation continues to violate the law, I move, seconded by the hon. member for Dauphin (Mr. Ritchie):

That the Minister of State (Fisheries), in conjunction with the Solicitor General, undertake an immediate investigation into the non-compliance of the Freshwater Fish Marketing Corporation with the act.

Mr. Speaker: Such a motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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UNEMPLOYMENT INSURANCE

PROPOSED CHANGE IN REGULATION DISQUALIFYING RECIPIENT OF BENEFITS FROM JURY DUTY—MOTION UNDER S.O. 43

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I also rise under the provisions of Standing Order 43. In view of the fact that jury duty is a compulsory obligation of a citizen, and in view of the fact a person receiving unemployment insurance benefits is automatically disqualified when called for jury duty because he is unavailable for work, I move, seconded by the hon. member for Greenwood (Mr. Brewin):

[Mr. McKenzie.]

That this House recommends that the Minister of Manpower change the regulations so that this discrimination under the Unemployment Insurance Act is ended.

Mr. Speaker: Such a motion, pursuant to Standing Order 43, can only be presented for debate with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

NATIONAL DEFENCE

LOCKHEED CONTRACT—INQUIRY WHETHER MINISTER INFORMED MINISTER OF SUPPLY AND SERVICES OF VERBAL AGREEMENT ON FINANCING

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of National Defence and concerns the long-range patrol aircraft. On June 3 at page 14108 of *Hansard*, the minister is reported to have said that his statements the previous day and those of his colleague, the Minister of Supply and Services, indicated very clearly that they were working together on this project. Would the Minister of National Defence tell the House if at anytime between November 15 and December 15, 1975, when they were working together on the project, the Minister of National Defence informed his colleague, the Minister of Supply and Services, that Lockheed had given verbal assurances that it could provide the bridge financing?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, my reference to my colleague and I working together indicates that our departments were in close collaboration, as well as the project office which is responsible to both, having personnel of both departments, and that there was a close interchange of information in the project office.

LOCKHEED CONTRACT—DATE MINISTER INFORMED PRIME MINISTER OF VERBAL AGREEMENT WITH COMPANY ON FINANCING

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, I take it from that answer that the minister did not inform the Minister of Supply and Services. Would the Minister of National Defence inform the House just when he informed the Prime Minister of the verbal agreement between DND and Lockheed of the interim financing?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I would have to check the records to find out the exact date. The need for financing, as I have said many times, was known during November and was the subject of discussion in the Cabinet, the Cabinet committee and the Treasury Board. It was, as I have also said, about the middle of December that I was first advised by my deputy minister that Lockheed was not able to fulfil its commitment, or to do what it had agreed to do in financ-

ing. I am not certain at what point the Prime Minister would have become aware of this fact but I would think very shortly after I was.

Mr. Speaker: A final supplementary by the hon. member for Victoria.

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GOVERNMENT ADMINISTRATION

LOCKHEED CONTRACT—INQUIRY WHETHER PRESIDENT OF TREASURY BOARD AWARE OF VERBAL AGREEMENT WITH COMPANY ON FINANCING ON DECEMBER 2

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, the supplementary is directed to the President of the Treasury Board. Would the President of the Treasury Board tell the House if on December 2 when the Treasury Board met and discussed the Lockheed deal was he aware of the verbal agreement reached between DND and Lockheed and was he aware of the requirement by DND for $100 million to pay interest?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, when the cabinet considered this matter last November, we knew there was a financing problem of about $100 million but we did not intend to change the National Defence Department's estimates and we knew that discussions were being held about this problem between the National Defence Department and Lockheed.

[*English*]

LOCKHEED CONTRACT—INQUIRY IF MINISTER OF PUBLIC WORKS AWARE OF VERBAL AGREEMENT WITH COMPANY ON FINANCING ON DECEMBER 2

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, my supplementary is for the Minister of Public Works. Could the Minister of Public Works, as a member of the Treasury Board, tell the House if on December 2 when the Treasury Board met and discussed the Lockheed deal he was aware of the verbal agreement reached between DND and Lockheed and was he aware of the requirement by DND for $100 million to pay interest.

Hon. C. M. Drury (Minister of Public Works): Mr. Speaker, I think really that kind of a question having to do with the operation of a committee of Cabinet should be directed to the President of the Treasury Board.

LOCKHEED CONTRACT—INQUIRY IF MINISTER OF VETERANS AFFAIRS WAS AWARE OF VERBAL AGREEMENT ON FINANCING ON DECEMBER 2

Mr. Dan McKenzie (Winnipeg South Centre): We thought you were on the Treasury Board. I will direct my question to the Minister of Veterans Affairs. He also is a member of Treasury Board. Could he tell the House if on December 2 when the Treasury Board met and discussed the Lockheed deal was he aware of the verbal agreement reached between DND and Lockheed and was he aware of the requirement by DND for $100 million to pay interest.

Mr. Speaker: Order, please. A final supplementary by the hon. member for Winnipeg South Centre.

Mr. McKenzie: Mr. Speaker, apparently the Minister of Veterans Affairs was not tuned in. On December 2 you were a member of the Treasury Board and that is why I am directing my question to you.

Mr. Speaker: Order, please. Questions can be directed to the minister in a general capacity. I am not sure if the Minister of Veterans Affairs, from the information I have before me, is now a member of the Treasury Board which is important and relevant. It has been clear from many precedents in the past that questions ought to be directed to ministers only in their present capacity. Questions can be directed to ministers, as members of the Treasury Board, but I want to make it perfectly clear that they should be directed to present members of the Treasury Board.

Mr. McKenzie: The Minister of Veterans Affairs was on the Treasury Board at that time and I want to know about his involvement in the discussion.

Mr. Speaker: Order, please. The hon. member for Winnipeg South Centre has hit precisely on the point. That was on December 2. Questions related to that time ought not to be directed to any member of the Treasury Board unless he is on the same board at the present time.

LOCKHEED CONTRACT—INQUIRY IF PRESIDENT OF PRIVY COUNCIL AWARE OF VERBAL AGREEMENT ON FINANCING ON DECEMBER 2

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I will direct my question to the President of the Privy Council. I will repeat my question so that it is perfectly clear. Could the President of the Privy Council, as a member of the Privy Council tell the House if on December 2 when the Treasury Board met and discussed the Lockheed deal, was he aware of the verbal agreement reached between DND and Lockheed and was he aware of the requirement by DND for $100 million to pay interest.

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, the hon. gentleman is misinformed. I am not a member of the Treasury Board.

An hon. Member: Who is?

* * *

MANPOWER

PROPOSED JOB CREATION PROGRAM—AMOUNT OF EXPENDITURE AND DATE WHEN PROGRAM OPERATIONAL

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, the government will need a lot more luck to get out of the mess it is in on that issue.

Some hon. Members: Hear, hear!

Mr. Broadbent: I should like to pose a question to the Minister of Manpower and Immigration. In the House on June 3 he said with reference to his new year-round job

creation program to deal with the fact of having some 760,000 Canadians out of work that he would have a program to submit to Parliament in the fall. I would like to ask him how much the government plans to spend on that program and, secondly, when the government intends it to become operational.

● (1420)

Hon. Robert K. Andras (Minister of Manpower and Immigration): The amount of money that will be allocated to it has not been decided, so that decision would be premature. The time frame of the whole approach is associated with legislation in the fall which might or might not be required for the job creation program to which I referred. It will certainly be required for the amendments to the Unemployment Insurance Act which are associated with it. I would expect that to be presented in the fall session and it will be up to the House to decide when it receives parliamentary assent and royal assent. Did that answer cover the question of the hon. member or was there another part to the question?

Mr. Broadbent: The other part is an elaboration of the first, and perhaps the minister could be a little more helpful since he also said in the budget debate that it takes "$200 million to drive less than one fourth of a percentage point" off the unemployment levels. Is he prepared to say to the House that the kinds of funds that the government intends to allocate for the program will be sufficient at least to bring down the level of unemployment, say, early in 1977, well below the 7 per cent level?

Mr. Andras: I think that is a variation of the same question. It would be premature for me to indicate the funds available. I also said in my comments in the House the other day that already $100 million have been allocated to the local initiatives program or to similar types of programs starting this fall. That will probably be in place before the other measures to which I referred are implemented.

Mr. Broadbent: Mr. Speaker, in connection with the $100 million that the minister referred to, may I remind him that the government cut off almost the $100 million for such programs from its budget just before Christmas as part of their new restraint program, so it can hardly be seen to be a new sum of money. They just recycled the program to bring back the $100 million which they cancelled before.

My final supplementary question is as follows: In his budget comments the minister said that the government would not set a target for unemployment levels for 1981 even at the 5.5 per cent level. Since he said in the same speech that the unemployment level considered acceptable to the government depended in part on the rate of inflation, does this not amount to saying that part of the program against inflation will be waged on the backs of the unemployed in Canada?

Mr. Andras: No, Mr. Speaker.

[Mr. Broadbent.]

LOCAL INITIATIVES PROGRAM—REQUEST FOR DECISION ON EXTENSION OF PROJECTS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): My supplementary question is for the same minister. In view of the fact that some LIP projects remain from last year and will not be completed by the June 26 deadline, even though the minister stated in the House that a decision will be made on them, would he assure the House, in order to overcome the unemployment that cancellation of them will cause, that a decision will be reached so that these projects can be extended to create employment?

Hon. Robert K. Andras (Minister of Manpower and Immigration): The only likelihood is that we will look at those projects which, for well considered and examined reasons, have not been completed in the time frame originally set for them and projects which require no further additional funds above those already allocated. I want to look at each project individually and make my decision on its merits.

Mr. Marshall: Would the minister give the House an assurance that if no more money is needed these legitimate projects will be extended and that he will make his decision before June 26?

Mr. Andras: The only assurance I can give is that I will examine each one on its merits and make a decision on that basis.

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[*Translation*]

CANADIAN NATIONAL RAILWAYS

NEED FOR BETTER DEFINITION OF PASSENGER SERVICE—REQUEST FOR STATEMENT BY MINISTER

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I wish to put a question to the Minister of Transport.

A few days ago, during the hearing of a court in the province of Quebec, a Department of Transport official said that the Canadian National, and more particularly its passenger service, should generate profits. As it is important to clarify the purpose of the rail passenger service, can the minister tell the House if his department considers that service as a private service or as a profit-making company?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, our basic intention with the railway passenger service is that it be run as effectively as possible and where it is reasonable, having regard to all those factors, that that service be maintained. It is our objective to do that in a more effective way than in the past by maintaining good equipment and effective marketing, and thereby to offer the service in a sensible way, but not to do it in areas where there is clearly too great a cost and where there are other available alternatives.

[*Translation*]

Mr. Beaudoin: Mr. Speaker, I wish to ask a supplementary question.

As the minister answered that the service should be improved, but not in the areas where it would be too

expensive per passenger, does he intend to make a statement to the House on this matter and, if so, when?

[*English*]

Mr. Lang: I made a statement to this effect on January 29 in this House, following which hearings were started before the Canadian Transport Commission to identify the specific areas in which the service is essential and desirable, as well as other areas in which it is simply too costly to maintain. This will be followed up with specific action on the part of the railways, either to improve the service or in certain cases to discontinue it.

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ENERGY

NATURAL GAS—POSSIBILITY OF EXCHANGING PRESENT CANADIAN SUPPLIES FOR FUTURE SUPPLIES FROM ALASKA

Mr. James Gillies (Don Valley): Mr. Speaker, in the absence of the Minister of Energy, Mines and Resources and the Secretary of State for External Affairs, I should like to direct my question to the Acting Prime Minister. Can the minister tell us whether discussions are going on between Canada and the United States about the feasibility of swapping natural gas, which is now produced in Canada, for future supplies of natural gas which may come from American sources in Alaska?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I do not think there are any formal discussions of this kind going on. It has been an idea which has been in the wind for a very long time, and probably hon. members on both sides have been talking about it. As far as I know, there are no negotiations going on.

Mr. Gillies: Can the Acting Prime Minister tell us whether—or perhaps this is too premature; I am not sure—these discussions are about exchanges in terms of value rather than quantities?

Mr. Sharp: As I indicated, any talks which would be going on would be of an extremely informal character, and I doubt whether they have become as specific as that.

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SOCIAL SECURITY

ALLEGED PROVISION OF UNITED STATES COMPANY WITH LIST OF THOSE IN RECEIPT OF OLD AGE PENSIONS—REQUEST FOR REPORT

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. I tried to obtain information from his department, but understandably at the present time civil servants are not anxious to give any information.

Therefore, I come to the source and ask the minister whether his department had anything to do with providing a United States company with a list of elderly adults in small towns and small cities across the country who are in receipt of old age pensions or allowances, the American company using these names for the purpose of having mailing lists available to casualty companies, bank and trust companies, memorial parks, hearing aid leaders, drug discount plans and so on? Will the minister get in touch with his department and ascertain whether this confidential information has been made available by any officials in his department, and if not, has he looked into the question of how an American company could have a list of approximately 400,000 elderly citizens receiving pensions, which number is being increased each month by approximately 25,000 names?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I thank the right hon. member for drawing this question to my attention. To use his language, I will check at the source in my department to see whether there is any foundation to the allegation or the reference the right hon. member has made. I can tell him that it is illegal under the act for any such information to be made available to other than provincial governments with which we have an agreement, and that provincial governments are bound by this same rule of secrecy. So any such information which might have been provided would have been provided against the law.

Second, the right hon. member referred to 400,000 elderly citizens. I remind him that the list of senior citizens receiving OAS exceeds 1,800,000. It would be very unlikely that this particular information would be provided by my department or any provincial government that has any such list for its own program. I will inquire but I cannot imagine that this is accurate.

● (1430)

Mr. Diefenbaker: A supplementary question. While the minister cannot imagine, Mr. Speaker, that is not what I asked. I wanted him to find out, and I asked a reasonable question for which I could not get an answer from his department. Everybody is running for cover.

Mr. Lalonde: Mr. Speaker, I said I would inquire so what more can the hon. member ask for.

* * *

TRANSPORT

SALE OF 48 EXPO TRAIN CARS—REQUEST FOR GOVERNMENT ACTION TO ACQUIRE

Mr. Ian Watson (Laprairie): Mr. Speaker, my question for the Minister of Transport relates to the sale by the city of Montreal, subject to approval by city council tomorrow night, of the 48 Expo train cars at 15 per cent of replacement cost. Considering that these cars are in good condition and usable for a public transit proposal involving Chateauguay and South Shore areas and that Montreal has assured me it will be prepared until tomorrow evening to sell these to either provincial or federal governments, can the minister give us some assurance that he will give full collaboration to the province of Quebec in any initiative it may take to acquire these cars which are needed for public transit purposes now?

Some hon. Members: Hear, hear!

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the hon. member for Laprairie has pressed the various people who should be involved and concerned with commuter facilities in this area. I have said before that it is essentially a provincial and municipal responsibility at the beginning to deal with a commuter service. These trains seem to be suited for it. It seems to me that the federal program of assistance with regard to commuter equipment would be available for this kind of equipment to be put in place for this service. I would be very happy indeed to collaborate on any proposition put before us.

* * *

AGRICULTURE

BEEF—REQUEST FOR PROTECTION AGAINST IMPORTS FROM AUSTRALIA AND NEW ZEALAND

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, my question is for the Minister of Agriculture and relates to imports of carcass beef from New Zealand and Australia. In view of clear indications that New Zealand has gone back on her unofficial agreement not to export beef to Canada at more than a six cents per pound spread, which is well below the equivalent exports to the United States, and further, in view of current indications that both Australia and New Zealand are now selling or dumping their beef into Canada at prices 25 cents per pound below equivalent exports to the United States and well below the current equivalent price of Canadian beef, will the minister once again review his December 31, 1975 statement that positive steps would be taken to prevent such specific actions and would he indicate what action may be expected?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the figures that I have and the figures that the hon. member has are different. Either my figures are too conservative or his are too liberal.

Some hon. Members: Hear, hear!

Mr. Broadbent: There is no difference.

Mr. Whelan: I agree with him about Australia and New Zealand—especially Australia—because we met with their people last week and discussed this very nitty-gritty issue with them. As far as I am concerned, they are treating the United States differently than they are Canada. According to a verbal agreement, they said they are charging much less in Canada, selling beef in Canada at distress prices and selling it in the United States at higher prices. They know what will happen to them if they lower the price in the United States—the United States government will bar them from selling meat in that country. Because Canada is a much freer trading country than the United States they know they can get away with more here.

BEEF—SUGGESTED VOLUNTARY AGREEMENT ON IMPORTS WITH AUSTRALIA AND NEW ZEALAND

Mr. Bert Hargrave (Medicine Hat): A supplementary question and I want to assure the minister through you, Mr. Speaker, that my figures are as current as this morning. Perhaps the minister would consult with his colleague [Mr. Watson.] the Minister of Industry, Trade and Commerce and consider again the introduction of a Canadian meat import law that would permit voluntary agreement on imports with Australia and New Zealand that are definitely not firm quotas.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, that is what I wanted the hon. gentleman to say. Now that I have the concurrence of the Official Opposition, I will forge ahead with that kind of law.

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MANPOWER

PROPOSED JOB CREATION PROGRAM—REASON FOR FAILURE TO GIVE OUTLINE OF DETAILS

Hon. Robert L. Stanfield (Halifax): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. In the course of his remarks last week, the minister indicated that the change in the unemployment insurance law would go into effect perhaps by the end of the year. He also indicated he would not be in a position to indicate an employment program until some time this fall. I am sure the minister would agree that, apart from the question of the money involved, it would take some time to put such a program in place and make it effective. Having announced a change in the unemployment insurance situation and having indicated approximately when it will take place, is there any reason why the minister cannot now inform the House of the general nature of the program designed to implement employment for at least some of those affected? Can he give the House any possible reason why he should put one half of the program in force to change unemployment insurance when he is unable to give the House any assurance of the nature of the other part of the program or that it will be in place in time to meet the need?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, with the greatest respect, I must express surprise at that comment coming from the hon. member who has been an advocate for some time on behalf of the program as it related to unemployment insurance, with no suggestion that I have heard on the other half, that is the provision of direct job creation.

Mr. Stanfield: Mr. Speaker, perhaps the minister has not listened to me on this subject. Some of his colleagues have not listened to me on other topics and have only taken the part of what I said that they chose to take.

Some hon. Members: Hear, hear!

Mr. Stanfield: Having announced his intention to introduce an employment program, out of concern I ask the minister why he cannot announce that program with respect to employment in general terms now and what right he has to ask members of the House and the people affected to wait until next fall? Can he honestly expect us to believe and the people affected to believe that his failure to announce the program is for no other reason than he has not the slightest idea what he is going to do?

Mr. Andras: Mr. Speaker, I think the hon. member for Halifax is being a bit unkind.

Some hon. Members: Oh, oh!

Mr. Andras: I did outline the general approach to the employment program in my comments in the budget debate the other day. I said that it would be developed into a year round, multi-facted program with emphasis and direction to areas of chronic high unemployment with special emphasis on those people who are likely to be unemployed for long periods of time. If the hon. member would review my statement he would see there is a fair amount of general detail there. Many complexities of design still have to be worked out, as I also indicated quite candidly.

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PUBLIC SERVICE

REQUEST FOR DELAY IN RECLASSIFICATION PROGRAM PENDING ADOPTION OF COMMITTEE RECOMMENDATION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is directed to the President of the Treasury Board. The subject is the same as that of the motion I sought to move under Standing Order 43 so the minister has had at least that much warning. In view of the fact that the Special Joint Committee of the Senate and the House of Commons on Employer-Employee Relations in the Public Service—and that title takes nearly half of the time of my question—recommended that classification be made subject to collective bargaining and in view of the complaints from public servants that the Treasury Board is now engaged in a speeded up process of reclassification, may I ask if the government will consider slowing down this process until parliament has made a decision on the recommendation to which I referred?

[*Translation*]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, I cannot give the hon. member any firm assurance that we are going to stop any classification until the legislation is passed. I think that the operations of the government must go on as required. However, I hope that my officials will consider the recommendation of the committee, and that instead of accelerating the rhythm they will have to act fully within the established standards. I would be surprised if this were the case.

● (1440)

[*English*]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question to the President of the Privy Council. Can the President of the Privy Council say whether the government has taken note of this recommendation and whether a proposal to implement it will be in the legislation to be introduced this fall?

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, as the hon. gentleman will recall, I made a statement about the government's intentions with respect to legislation. We are establishing a special task force to prepare some proposals for consideration. These proposals and the work of the task force I hope will involve consultation with the various employee organizations so that this and other points will be given serious consideration.

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AIR TRANSPORT

REFUSAL OF LES GENS DE L'AIR TO WORK WITH COMMISSIONER KEENAN—RESIGNATION OF COMMISSIONER—GOVERNMENT ACTION

Mr. F. A. Philbrook (Halton): Mr. Speaker, my question is for the Minister of Transport. In view of the fact that Les Gens de L'air refuse to acknowledge and work with the appointed commissioner, what action is the government prepared to take in this regard?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, we hoped to encourage them to work with the commissioner. I must report to the House today that, in view of the controversy which came to surround the appointment of Mr. Keenan as commissioner, I received, just before entering the House, his resignation as a commissioner of this inquiry. Of course, I received it with profound regret and will present to the House his letter of resignation and my reply thereto at the earliest moment.

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AIRPORTS

CALGARY—DATE OF COMPLETION OF NEW FACILITIES

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I raise with the Minister of Transport the question I raised with him last week. I am concerned about over-crowded conditions at Calgary airport terminal, conditions which are unsanitary for users of the airport, and which affect the working conditions of employees. What is the situation now? When will the new depot, which the government has been promising since 1968, be completed?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, vast expenditures are being made on the fine new airport terminal at Calgary, which is being put in place rapidly. There was a slight delay before construction began in the redefining of the nature of the terminal, to meet recurrent clearance and other needs. Construction is now going forward satisfactorily.

Mr. Woolliams: A supplementary question, Mr. Speaker. There is no time limit on construction. The government has spent millions of dollars on the existing depot. It has erected one leanto after another, but has not built sanitary toilet facilities.

Some hon. Members: Oh, oh!

Mr. Woolliams: If hon. members would like to see what those washrooms are like, I will invite them. Can the minister give me any time limit as to when this depot will be finished?

Mr. Lang: After listening to the hon. member's question, hon. members may be surprised to learn that a very large

sum of money, about $127 million—I forget the exact figure—is in process of being spent on the Calgary terminal buildings and facilities.

Mr. Woolliams: You have been spending it since 1968.

Mr. Lang: If the hon. member for Calgary North would go to the other side of the tarmac at the airport, he would see that facilities are rising with great rapidity. The airport will become one of the most elegant in this country.

* * *

AIR TRANSPORT

REQUEST FOR REPORT ON STATUS OF INQUIRY INTO BILINGUAL AIR-TO-GROUND COMMUNICATIONS IN VIEW OF RESIGNATION OF MR. KEENAN

Mr. Jack Murta (Lisgar): Mr. Speaker, my question is supplementary to that asked by the hon. member for Halton and has to do with the minister's answer about Mr. Keenan's resignation. What is the status of the investigation Mr. Keenan was conducting? Will another person be appointed, or can we expect a dual appointment, as mentioned in the newspapers? Would the minister bring us up to date on the status of the investigation.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, hon. members are up to date. I was handed the letter of resignation just as I came into the House, which means that hon. members are very much up to date. I will want to consider some of the problems this raises. I emphasize again that I had indicated in the past my personal confidence in Mr. Keenan's ability to conduct a fair and proper inquiry. He would have worked with the tests which would be conducted with the simulator, and would have worked closely with people in industry and government who were involved with those tests. We intend to continue with those tests, and to have the co-operation of the pilots and air traffic controllers. I can go no further at this point.

* * *

[Translation]

PUBLIC SERVICE

NEGOTIATION OF CONTRACT WITH PROFESSIONAL GROUP—ALLEGED ABSENCE OF CONSULTATION

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is directed to the President of the Treasury Board.

Mr. Speaker, the collective agreement of the group of economists, sociologists and statisticians will expire on June 27. So as to anticipate that, the negotiating agent for that group submitted in good faith a proposal for a new contract to the Treasury Board on April 29, that is two months before the expiry date. But the day before that submission, the group had received from the Treasury Board a letter indicating that it had been unilaterally decided to abolish the classification structures of that group. My question to the minister is this:

Is the President of the Treasury Board aware of that development which came about without any prior consultation? Does he approve of it, considering the adverse effect such a decision by his department had on the morale?

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, I shall investigate. I am not aware of the incident mentioned by the hon. member. I knew their collective agreement was expiring. As to the classification, I will investigate and inform the hon. member.

* * *

[English]

EXTERNAL AFFAIRS

CANADIAN POSITION ON INTERVENTION OF SYRIA IN LEBANESE CIVIL WAR

Mr. Howard Johnston (Okanagan-Kootenay): Mr. Speaker, my question addressed to the Acting Secretary of State for External Affairs arises from reports concerning the clash of Syrian forces with Lebanese forces within Lebanon. What position has Canada taken on this Syrian intervention in Lebanon which—although Syrian peacekeeping intentions may be praiseworthy—does not seem to have been authorized by any international authority?

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, would the hon. member be kind enough to clarify his question. I did not understand if he spoke of a Syrian intervention or of our peacekeeping mission. I did not understand him exactly.

Mr. Johnston: Mr. Speaker, I will be happy to clarify my question. What position has Canada taken on the Syrian intervention inside the borders of Lebanon? I gather that Syrian forces have crossed over into Lebanon, clashes are taking place and the situation is tense. I know of the great interest of the Secretary of State for External Affairs in that part of the world. What position has Canada taken on this unauthorized intervention?

[Translation]

Miss Bégin: Mr. Speaker, Canada is a sad witness, as many other countries are, to foreign interventions in that part of the world where cultural and other traditions are very close to ours, in Lebanon particularly. For the time being, Canada can do absolutely nothing because this would be another foreign intervention, which would therefore be unacceptable.

[English]

Mr. Johnston: A supplementary question, Mr. Speaker. May I ask if the Canadian government is still receiving an unimpeded flow of reports from our representatives in that country?

[Translation]

Miss Bégin: Mr. Speaker, as far as I know our embassy in Beirut has been closed for a very long time unfortunately and our personnel sent to Athens and other close and relatively secure places. There is nothing we can do from within Lebanon.

IMMIGRATION

REQUEST FOR REPEAL OF DEPORTATION AGAINST ISABELLE ROMIRO

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, my question is for the Minister of Manpower and Immigration.

Is the minister aware of the decision of the Immigration Appeal Board ordering the deportation of Mrs. Isabelle Romiro, the wife of Luis Valdez, and of her four children? If so, does the minister intend to use the powers granted to him by the law to prolong the stay of this woman and her four children?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I will take that question to be a form of representation, and familiarize myself with the case with which I am not fully familiar at the moment.

* * *

AGRICULTURE

SKIM MILK POWDER—PROPOSAL TO MAKE SURPLUS AVAILABLE TO CONSUMERS AT LOWER PRICES

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is for the Minister of Agriculture. Since the latest Statistics Canada figures show the quantity of skim milk powder in storage has actually increased substantially from April 1 to May 1 of this year, will the government now begin programs to make this surplus available to Canadian consumers, especially lower income consumers, at prices which, while higher than the give-away levels at which the government has been offering skim milk powder outside Canada, could still be lower than the present domestic price? Would this not be a major way to help both producers and consumers? I ask this question because recent events seem to indicate some degree of dissatisfaction with the present program, not only on the part of consumers but on the part of producers as well.

● (1450)

Hon. E. F. Whelan (Minister of Agriculture): There is no doubt there is dissatisfaction with the program—

Some hon. Members: Oh, oh!

Mr. Whelan: It is mainly because the producers have done what we asked them to do—actually, they have overdone it and produced more than there is an ample market for. There is nothing we do for other parts of society that we shall not do for this one. We are doing everything possible to distribute the product in as fair a manner as possible and in a manner which would not disrupt normal markets. I would remind hon. members that we are still supplying a subsidy to domestic consumers at 34 cents a pound, making skim milk powder cheaper than in any other nation in the world.

TRANSPORT

FREIGHT RATES—REQUEST FOR DELAY IN IMPLEMENTING CHANGE IN RATE ON RAPESEED PRODUCTS

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is for the Minister of Transport in his capacity as minister in charge of the Wheat Board. In view of the united opposition of rapeseed producers and processors on the prairies to the new freight rates on rapeseed products and the attempt to remove rapeseed from the benefit of the Crow rate, will the minister wait for the Hall and Snavely Report or does he still intend to impose new rates before the end of this month?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I wish the hon. member would have the honesty to state what I presume he knows, namely, that there is no proposal to remove rapeseed from the Crow. The specific issue over which rapeseed producers are unhappy is the question of the rate at which rapeseed oil may move. Until 1971 or so it moved at a rate which was set by the railways according to total costs or their ordinary rate-setting pattern. The rate was frozen for a while since that time because of the appeal concerning that rate-setting process. In the last couple of weeks the Governor in Council directed the Transport Commission to allow no rate higher than a compensatory rate on rapeseed oil. That is the lowest rate which is allowed under the law. This is an approach to rate-setting on oil which the provincial ministers in the West understood was the best we could do. It leaves a discrepancy between rapeseed as a grain and rapeseed as an oil.

This has been a longstanding source of disagreement and the situation will require legislation to correct. There is, however, no likelihood of an early movement of these rates, even at that, because the difficulty of determining the compensatory level is so great that the Snavely Report could quite possibly be issued first. However, the problem caused by the discrepancy between the rates under the Crow on rapeseed and rapeseed oil still remains. This is what the crushers really face, and anyone who wants to be honest about it would recognize that fact and say so.

REPRESENTATIONS FROM ALBERTA TO REMOVE DOMESTIC FEED GRAIN SHIPMENTS FROM CROWSNEST PASS RATES—GOVERNMENT ACTION

Mr. Lorne Nystrom (Yorkton-Melville): My supplementary relates to a telegram sent to the minister by the minister of transport of Alberta asking him, in effect, to take the domestic shipment of feed grains off the Crow rate. What response has the hon. gentleman given to this telegram and can he assure us that he will not be taking the action requested?

Hon. Otto E. Lang (Minister of Transport): Well, Mr. Speaker, I presume the hon. member would like me to give serious consideration to a request from any responsible provincial government. I consider the comment which has come from the Alberta government to be a responsible approach to the issue of the discrepancy in rates between meat and grain, rapeseed and rapeseed oil. I will certainly give this matter serious consideration and I would wish to

discuss the question with the minister concerned before replying to him finally.

* * *

BROADCASTING

ALLEGATION RADIO LICENCE APPLICATION FORM PRINTED IN JAPAN—GOVERNMENT POSITION

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, my question is directed to the Minister of Communications. I have in my hand a copy of an application form for radio licensing from the Department of Communications which I obtained directly from the minister's department. Unbelievable as it may seem, I find it stated here that it was printed in Japan. Can the minister explain the disgraceful fact that a department of the government would by-pass Canadians, not only the Queen's Printer, but Canadian firms which I know are starving for this kind of business? Could she tell us not only how but why such a deplorable decision was made?

Hon. Jeanne Sauvé (Minister of Communications): It seems to me most unlikely that an application form would be printed in Japan, but I will look into the allegation.

* * *

UNEMPLOYMENT INSURANCE

INQUIRY AS TO DISCUSSIONS WITH PREMIERS OF ATLANTIC PROVINCES CONCERNING CHANGES IN ACT

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, my question is for the Minister of Manpower and Immigration; it concerns the Unemployment Insurance Act. Did the minister have any discussions with the premiers of the maritime provinces concerning the proposed changes in the Act before they were announced last month by the Minister of Finance in his budget speech?

Hon. Robert K. Andras (Minister of Manpower and Immigration): I have taken part in a series of bilateral consultations with provincial ministers and I am sure they include ministers from the Atlantic provinces. The hon. member asked specifically whether the premiers were involved. I do not recall meeting with the premiers themselves but the ministers were aware there were many options we were considering, including the one adopted on budget night.

* * *

AGRICULTURE

SKIM MILK POWDER—PROPOSAL TO RELEASE SURPLUS FOR USE AS ANIMAL FEED

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a question for the Minister of Agriculture, supplemental to that asked by the hon. member for Windsor West. In view of the fact that insufficient quantities of feed grade skim milk powder are available in Western Canada at reasonable prices for use in the manufacture of milk replacer, poultry meal and calf starter, and since officials of his department, and, indeed, the minister himself undertook to have the Canadian Dairy Commission, consult with the feed industry as to the advisability of releasing sufficient quantities of skim milk powder to the domestic feed industry, may I ask the minister whether these consultations have been concluded and whether any positive steps will be taken in this regard?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the price the Canadian Feed Manufacturers Association offered for skim milk powder was 6 cents a pound. I met with the head of the Feed Manufacturers Association when he was here the other day and he said they would probably be prepared to offer more because of the tremendous increase in the price of soybean meal at the present time. I would remind the hon. member, and the hon. member for Windsor West, that this skim milk powder belongs to the farmers of Canada. If they want to give it away, I suppose they have the right to do so. But I am here as Minister of Agriculture to make sure that they get the best income possible and try to dispose of the product in the best way we can. I might add that they do not have the tremendous stocks of which the hon. member spoke in the House on Friday, when I was not here. There is not that much skim milk powder in storage and they are doing a good job of getting rid of it.

Mr. Mazankowski: If the minister is suggesting he is trying to get farmers the best price possible, may I remind him he is doing a damned poor job. I simply asked him whether he could tell the House whether the consultations he and his officials recommended have been completed and, if so, can he bring the report to the House?

Mr. Whelan: Well, if I am doing a damned poor job, the salesmanship job can be offered the hon. member any time he wants.

Some hon. Members: Hear, hear!

Mr. Whelan: We will give him the same commission as we are giving any agent selling skim milk powder around the world. If the hon. member wants to be more useful than he is by asking the stupid questions he is asking, maybe he should go round the world and sell some skimmed milk powder. What he is saying isn't true. Farmers cannot afford to produce skim milk powder for animal protein; they would go broke quicker than they are at the present time.

Some hon. Members: Oh, oh!

Mr. Whelan: And let him tell the Opposition critic on corporate and consumer affairs to have the guts to go and tell the Quebec farmers that I am paying them too much for their milk. Tell the member for Brome-Missisquoi to do that. He has said so in this House. Tell him to go and address the dairy farmers of Quebec and tell them that I paid the farmers too much.

Some hon. Members: Hear, hear!

Mr. Mazankowski: I would remind the minister that my job would be to sell rather than to store. That is what the business of selling is all about.

Mr. Cossitt: Mr. Speaker, I rise on a question of privilege which stems from a matter I have raised in the House on other occasions concerning information furnished to me from high level sources in the public services, sources which I consider to be beyond reproach, dealing specifically with alleged defrauding of the Unemployment Insurance Commission by certain persons. I would not have raised this matter in the first place had it not appeared obvious from the information given to me that a serious situation existed.

● (1500)

I might point out, before proceeding directly to the main substance of my question of privilege, that what I am going to say in the next half-minute will provide the necessary background. The Minister of Manpower and Immigration, on the first day that I raised the matter in the House, made certain remarks in this chamber, and also outside the House, which in effect corroborated what I said. In this regard, I think I am quoting him quite correctly when I say that he used two specific adjectives; he referred to the matter as being "extensive" and "serious". He also said that this was "more than an ordinary problem" and was one "involving thousands and thousands of dollars". At the time, I considered that the minister was making a proper and truthful statement in regard to the situation, and, of course, I still believe that that is exactly what he did, based on the information given to me up to that time and reinforced by further information given to me since that time by sources I have referred to previously.

To move directly to my question of privilege, may I refer to certain public statements made by Sergeant Gordon Butt of "A" Division, Royal Canadian Mounted Police, located in the city of Ottawa. To begin with, it would seem to me that the proper procedure that should have been followed in a matter of this kind is that any statement dealing with things said in this House by a member of this House on behalf of the government should have been made by the responsible minister concerned, namely, the Solicitor General of Canada, in the House, and not by a non-commissioned officer of the Royal Canadian Mounted Police, on behalf of the government, outside the chamber.

Some hon. Members: Oh, oh!

Mr. Cossitt: In my opinion, Mr. Speaker, the conduct of Sergeant Butt in attempting publicly and politically to refute statements made in this chamber by a member of this House is a gross interference in the political sphere where police officers have no business whatever, and therefore interferes directly with the privileges of a member of the House of Commons.

An hon. Member: And vice versa.

Mr. Cossitt: I believe there is absolutely no significance, at least at this time, in why Sergeant Butt made these statements, but it is of great significance that he did indeed make them. Whether he made them through ignorance of the facts, or whether he made these statements intentionally or unintentionally, or whether he said what he said because the Unemployment Insurance Commission has failed to co-operate and to furnish all available evidence to the Royal Canadian Mounted Police in their investigation—all these factors are of minor significance alongside the fact that a member of the Royal Canadian Mounted Police has for some reason taken it upon himself to act as spokesman outside the House and to make statements that should have been made, if they were to be made at all, in the House by the Solicitor General.

In conclusion, Mr. Speaker, I must confess that I have always held the RCMP, as a force, in the highest regard—

Mr. Speaker: Order, please. Surely the hon. member is not going to conclude without telling the House what the statements are. I have to make some decision as to whether or not the statements he has referred to in some way offend the privileges of the House, and I have not yet heard those statements.

Mr. Cossitt: Mr. Speaker, I would add that the statements made by Sergeant Butt were to the effect that what I said in this House had no substance.

Some hon. Members: Sit down.

Mr. Cossitt: If the members opposite know a lot about this, then perhaps they would tell the Canadian people. He also went further and stated that it was exaggeration. He indulged in the use of certain adjectives which obviously, if they were to be said, should have been said by the minister responsible in the House for the Royal Canadian Mounted Police.

Some hon. Members: Oh, oh!

Mr. Cossitt: If the honourable seals opposite would be quiet, I will conclude my statement. I can only say, as I said a moment ago, that I have every respect for the Mounted Police. I do not wish to raise this matter as one that would cast a reflection on the force as a whole, but it does give one cause to have some reflection on certain members who wear the scarlet tunic when they speak politically.

I could furnish the House and Your Honour with the press reports that quoted Sergeant Butt, but may I conclude with these words: the government has denied and has hedged on Sky Shops and the judges' affair—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. In seeking to conclude with those words, the hon. member does not conclude with the motion that would seek any action on the part of the Chair. In any case, having gained the floor on a question of privilege, he must realize that in referring to certain remarks that have been made by an officer of the RCMP and whether they could constitute a question of privilege, he would have to provide the House with detailed accounts of what the remarks were. Not having done so leaves the Chair with no choice but to find that no prima facie question of privilege exists.

Mr. Poulin: Mr. Speaker, I rise on the question of privilege. In view of your ruling, I am very reluctant to comment on what has just been said by the hon. member opposite under the guise of a question of privilege, but I do not believe that we continually can let him and other hon. members on the other side make these remarks without

our being given the opportunity to respond to them. The Solicitor General is not here today, but I can say that Sergeant Gordon Butt was certainly not acting politically on behalf of the government, as the hon. member opposite said he was.

Mr. Cossitt: What was he doing, then?

Mr. Poulin: What the hon. member has done by making these allegations is to bring into disrepute the whole of the Royal Canadian Mounted Police. He has been unable to substantiate what he said as fact at all.

Some hon. Members: Hear, hear!

Mr. Poulin: The hon. member also referred to the UIC investigation. May I say in a conversation that the Solicitor General's office had this morning with the RCMP it was made apparent that the UIC is giving its full co-operation in every way to the RCMP in their investigations. May I say that it is a low attack that has been made by the hon. member, and against a public servant who cannot defend himself.

Mr. Speaker: Order, please.

Mr. Baker (Grenville-Carleton): Mr. Speaker, a few moments ago Your Honour ruled that the matter raised by the hon. member for Leeds was not a question of privilege.

Mr. Guay (St. Boniface): That is right; it is too low.

Mr. Baker (Grenville-Carleton): I am not, of course, questioning that ruling, but under the guise of a question of privilege or a point of order—certainly I would think it too was not a question of privilege—the hon. member for Ottawa Centre rose and imputed something to the hon. member for Leeds which, upon reflection, on reading the statement, I think he will find false. Quite frankly, I think he is overreacting.

All of us in this House have a high regard for the Royal Canadian Mounted Police, and it is extremely important that none of us, in the exercise of our duties as members of parliament as we see them, either overreacts with respect to any comment that is made respecting the Royal Canadian Mounted Police, or forgets the fact that when a comment that is held to be legitimate is made by a particular member, it should be confined specifically within narrow terms. The reputation of the Royal Canadian Mounted Police is extremely important to all members of this House.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The difficulty here is very clear. The hon. member for Leeds makes certain allegations against the Royal Canadian Mounted Police and their conduct, and I have no way of finding this to be a prima facie question of privilege. However, it has been the practice of the House to allow comment on the opposite side. The value of that is seen in the fact that failure to do it only provokes other spurious questions of privilege which are responded to in turn, and in that way the matter can go on and on. The fact is that there is no question of privilege on either side of the House. Members are rushing to the defence of each other and to the defence of the RCMP, and

[Mr. Poulin.]

that is quite understandable. But the fact is that no question of privilege exists, and the matter ought to die there.

Mr. Cossitt: Mr. Speaker, I rise on a further question of privilege.

Mr. Speaker: Order. The hon. member for Leeds rises on a further question of privilege.

Mr. Cossitt: Mr. Speaker, I will only take 20 seconds just to reply to the hon. member opposite.

Some hon. Members: Sit down.

Mr. Cossitt: The hon. member said I was casting reflections on the RCMP.

Some hon. Members: Order.

Mr. Cossitt: I did not cast any reflection on the RCMP, and I have every right to ask that that statement be withdrawn.

● (1510)

Some hon. Members: Sit down.

Mr. Speaker: Order.

Mr. Cossitt: Think of the Canadian people, for a change. I have every right to ask the question, and I did not make that statement.

Some hon. Members: Sit down.

Mr. Speaker: Order, please.

Some hon. Members: Oh, oh!

Mr. Speaker: Obviously, the difficulty must be plain to all hon. members, that when a question of privilege does not exist it only invites disaster and a disrespect for the rules for the House to suggest that hon. members on a non-question of privilege should be entitled to reply or to go on with the same debate. That is the difficulty always faced when the Chair makes a ruling that no question of privilege exists. I would ask the courtesy and respect of all hon. members in that this matter be discontinued forthwith.

ROUTINE PROCEEDINGS

[*English*]

AIR TRANSPORT

TABLING OF LETTERS FROM MR. KEENAN

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I should like, under Standing Order 41(2), to table, in both official languages, the letters from Mr. Keenan and the brief comment thereto.

BUSINESS OF THE HOUSE

MOTION FOR EXTENDED SITTINGS

Hon. Mitchell Sharp (President of the Privy Council) moved:

That, notwithstanding any standing or special order, for the remainder of the session, no private members' business shall be taken up and on Tuesdays and Thursdays, the House shall sit from 11.00 a.m. to 1.00 p.m. to consider government bills, provided that, on those days, the normal daily routine of business shall be taken up at 2.00 p.m.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, when I saw the motion on the order paper today, I expected that someone from the government side would rise in his place to give the House some reason that the government, through its majority, should decide to interfere with the Standing Orders of the House. Frankly, I am appalled, sir, as I am sure all thinking members are appalled, at the silence of those on the government benches in respect of this matter.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): We are now coming close to the end—at some time, in any event—of the longest session in parliamentary history, 317 days as of today. That is the length of two sessions of parliament, under ordinary circumstances. For some reason or other the government has assumed there is some magic in the date of June 30, and some reason that the ordinary Standing Orders of this House ought to be interfered with in order to finish a legislative program. It may be otherwise, Mr. Speaker, but I cannot help but think that what the government is attempting to do now is, in a rather cute way, bring the session to an end in a hurry. From the government's point of view there is a darned good reason for wanting to bring the session to an end in a hurry. Just cast your mind back over the past 317 sitting days. This is the government which could not handle the dredging contracts, for example, which found its way into the courts.

Some hon. Members: Shame!

Mr. Baker (Grenville-Carleton): This is the government which at one stage of the game felt itself so much in the saddle that it could sink to the level of having its members call judges, over which a minister, who perhaps should not have resigned, was forced to resign, and the minister who should have resigned still sits in this House.

Some hon. Members: Shame!

Mr. Baker (Grenville-Carleton): I thought perhaps time would be the great healer and nothing more would happen to indicate the inadequacies of the government. Then all of us were shocked by the revelations which occurred in respect of the Sky Shops affair. This is just another indication of the deterioration of this government which now asks us to extend the hours of debate so it can go home. This is the same government that could not even handle tendering practices at airports.

Some hon. Members: Oh, oh!

Mr. Baker (Grenville-Carleton): Mr. Speaker, I can tell I am getting awfully close to the bone when I arouse the hon. member for St. Boniface, whose contributions to the debates in this House are recorded now as "Oh, oh". That is the record. Sitting with the hon. member for St. Boniface, in the seat normally occupied by the Minister of Supply and Services, is the Minister of National Defence. This is the closest they have been to being together for a long time.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): The one thing we can say about the Minister of National Defence, and I hope he is not tainted as a result of occupying that particular seat, is that, unlike the Minister of Supply and Services, he has at least not yet seen fit to cast off his ministerial responsibility on a public servant who cannot defend himself. That is the record of the Minister of Supply and Services.

Some hon. Members: Shame!

Mr. Baker (Grenville-Carleton): I do not think there is one minister of this government who is not only ashamed of its record—which is pretty dismal for 317 days—but is also not ashamed of the Minister of Supply and Services for his reprehensible and scurrilous attack on a public servant, thereby attacking the hallmark and the foundation of our parliamentary democracy, namely, the responsibility of ministers. That is why ministers have their prerogatives of office, and that is why they take the oath, because they are ultimately responsible. That great tradition has been denied and trampled by that hon. minister who normally occupies the seat now occupied by the Minister of National Defence.

Some hon. Members: Shame!

Mr. Baker (Grenville-Carleton): This is the longest session in parliamentary history.

An hon. Member: And you are prolonging it.

Mr. Baker (Grenville-Carleton): You just wait and see how long we prolong it.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): I want to make it clear right now to you, Mr. Speaker, and to members of this House, that June 30 holds no magic for the official opposition. There are some legislative items on the order paper and on the shopping list of priorities of the President of the Privy Council which are important to us and important to the people of Canada, if they are not important to the government. I intend to speak about this matter today, and there are others who intend to speak about it in terms of the business of this House. Not only are we here now, on the 317th day, with the government trying to quickly end the session, but we should cast our minds back to another record of this government. This is the government that has used closure more times in this particularly long session than it has ever been used before in a session of parliament.

Some hon. Members: Oh, oh!

Mr. Baker (Grenville-Carleton): What were the government's choices? First of all, it decided that Bill C-58, dealing with *Time, Reader's Digest* and the income tax amendments was so important that it had to get it through this House. The government decided it had to overcome opposition to this bill, forgetting that it was also overcoming the opposition of the country. When that bill left this House, it went to the Senate. Who has been speaking against the bill in the Senate? I suggest it is none other than the Liberal senators.

Some hon. Members: Oh, oh!

Mr. Baker (Grenville-Carleton): The Secretary of State now wears a beard in order that his blushing will not show. We now have Bill C-83 before the standing committee of this House. The government had well over a year to prepare Bill C-83, on peace and security—including gun control, parole, invasion of privacy by wiretapping, and all the other things—but the bill was in such terrible shape when it reached the committee that the government itself sought to introduce 43 amendments to it.

Some hon. Members: Shame!

● (1520)

Mr. Baker (Grenville-Carleton): I repeat, the bill was in such dismal shape when it got to committee that the government saw fit to introduce 43 amendments to it.

Mr. Guay (St. Boniface): We listened to the people.

Mr. Baker (Grenville-Carleton): If the hon. member for St. Boniface is right, that they are listening to the people, then the result will either be that there will be 43 more amendments or they will withdraw the bill.

Then there is the subject which goes to the heart of the hon. member for Winnipeg North Centre. I refer to Bill C-68, the medicare bill. Here is another bill in respect of which the government has used closure. This is an interesting commentary on how these so-called Liberals function when they find that everything they touch is turning to lead. This is a bill which will drastically affect the delivery of medical care to people in all parts of Canada, particularly those parts of Canada which are low income areas and which historically have fallen behind all other areas of Canada. Yet this government used closure in respect of that particular bill, and we find that bill on the government's list of priorities with regard to the closing of a session.

There is no magic in the date June 30. As if what I have said is not enough, all members of this House might consider the effect of another bill which is on the order paper, Bill C-87, a bill which will have a dramatic effect on the east coast of Canada, on the ports of Canada, on the shipping industry of Canada and on the elevator industry of Canada, not to mention family allowances and the government's retraining program, as well as the legislation in respect of industrial research and development incentives and western grain stabilization. All these matters are the subject of Bill C-87. What does the government expect? Does it expect, in this way, to get the government out of here so that it will not look so bad? This government would look bad wherever it might go. Does the government expect that members representing areas affected by this bill will trade off the problems affected by that bill for a holiday? I do not expect so.

So I say to the government members, particularly the member who interjected a few moments ago, that if they think they will be home on June 30, they should make plans for August because we will be here fighting this legislation, particularly Bill C-87. I put it to members of this House: is it any wonder that the Gallup poll recently released indicated that the government is still at the lowest state in the public mind, and that the people of Canada are looking for an alternative to this government? Is there any wonder about the government's reputation?

This is another form of closure. There are other members who will speak in this regard. If the government thinks that as a result of this motion it is luring our party into this trade-off approach, then it has another think coming, because this party is prepared to stay and fight for the principles we think are beneficial to all Canadians. More important, we believe the Canadian public is behind us. We believe the Canadian public looks at this government as a government in retreat, in disrepute. Certainly, in the eyes of the public and some members of this House it has failed to take the responsibility for its mandate. That is the position.

I am sure that on the motion before us now, the government supporters will not take advantage of the debate. I am sure what will happen is that the hundreds, thousands and millions of Canadians represented by the backbenchers of the Liberal party will be unrepresented in this House. The Liberal backbenchers will be expected to sit mute while the problems wash around them. They will be expected not to intervene in the debate, and once again it will be the duty of the official opposition to carry the debate.

Mr. Speaker, I would think that at the end of 317 days of parliamentary practice we would have devised a way in which public business could be considered in an orderly manner. We have not done so. We wonder sometimes why it always has been the practice of this government to push into the latter part of the session some of the most important legislation with which this parliament must deal. Bill C-87 is one of those bills, and we intend to see some justice done for those who will be affected by its terms. I concluded by saying, let not the member over there who interjected, or any other member, feel that there is any magic in the date June 30. We are here prepared to do the public's business, Mr. Speaker.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, when motions to extend the hours of the sittings of the House are made, it is our view, that each one must be looked at on its merits. There have been occasions when such motions were made which we felt were unfair and unjustified and we have taken a very definite stand in opposition. There are times when a motion to extend the hours has merit and we are prepared to give our support. Let me say at the outset, so that it will be quite clear, that we intend to support this motion.

The hon. member for Grenville-Carleton began his remarks in good oratorical style by saying that he was appalled by this motion: He acted as though he did not

know why it was being put on the order paper. He expressed the view that many members of this House would not know why this motion is in front of us, especially in view of the fact that the President of the Privy Council chose not to speak to it when it was moved. As my friend, the hon. member for Grenville-Carleton knows, we—together with the House leader of the Social Credit party and the government House leader—have discussed this matter over a period of three or four weeks. We have discussed this matter at House leaders' meetings and we have discussed it with our various caucuses. I do not know how anyone could be taken by surprise today.

Mr. Baker (Grenville-Carleton): I am not surprised.

Mr. Knowles (Winnipeg North Centre): I do not know how anyone could be appalled. I suspect everyone in this House knows why the motion is in front of us. The reason is that parliament is engaged, understandably and justifiably, in a lengthy debate on a very controversial subject, namely, the subject of capital punishment. We have pleaded with the government, and I must say in all fairness that the President of the Privy Council has agreed readily, that there should be no closure motion used on the debate on Bill C-84.

● (1530)

We take the stand—and the President of the Privy Council agrees with it—that because of the emotional feeling about that legislation, no one who wishes to speak should be denied the right to speak. Therefore, since it has been accepted that there would be no closure, and since we want to make provision for all those who wish to speak to do so, the proposal that has been put down today is for an extension of hours to make it possible for most or even all of the speeches on the subject of capital punishment to be made within the month of June.

An hon. Member: You don't know what it is all about.

Mr. Knowles (Winnipeg North Centre): I happen to know what it is about.

Mr. Mazankowski: Why don't you say it, then?

Mr. Knowles (Winnipeg North Centre): I wish my hon. friends would say what they mean.

Some hon. Members: Hear, hear!

Some hon. Members: We will.

An hon. Member: Don't worry; we'll say it.

Mr. Knowles (Winnipeg North Centre): The fact of the matter is that the motion proposes that we add two hours on Tuesday mornings and two hours on Thursday mornings. It also provides that each of the private members' hours, where they occur—a maximum of four in a week—shall be taken for government business on the understanding that the extra time will be devoted to the second reading debate on Bill C-84. I submit that on balance that is not an unreasonable request. If the minister were threatening closure instead of this, he would find me and my colleagues opposing him very strongly, but since the proposal is simply to provide more time so that there can be all the debate that members want on Bill C-84, I think it should be supported.

The hon. member for Grenville-Carleton had a delightful time reciting some of the mistakes that the government has made in this two-year session. When I look at the motion, it seems to be wide open—we can discuss just about anything that has happened in this session under the motion. I, also, could spend some time on this. I could complain about the fact that there has been no increase in the basic amount of old age security. I could also complain about Bill C-62 which provided for spouses allowances but discriminates strongly against widows, spinsters, widowers and bachelors. I could complain about some things that were left out of the bill regarding compensation for prisoners of war. I could complain about some other things that have taken place in the past, and about some things that are still before us. But parliament has taken its decision on these matters and I think we are all reaching a state, because of this session having lasted nearly two years, where we believe that it would be a really good idea if we could get this session over with and start a fresh one, certainly no later than the fall.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Having said that, I want to make it clear that I do not intend to take time to complain about the mistakes that have been made, because I am concerned about where we go from here. I am concerned about some of the other things that the President of the Privy Council wants to have passed before the House recesses for the summer or before we prorogue, and the minister knows it. We, in this party, are totally opposed to Bill C-68 which is down to the third reading stage, and we are also opposed to quite a number of things in Bill C-87. To make it clear on the record, let me say that Bill C-68 has to do with medicare and Bill C-87 is a restraint package which wipes out the Company of Young Canadians.

An hon. Member: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Where does my friend stand on that? The bill also imposes a number of restraints which affect the poor people of this country, and also gives legal effect to something the government is already doing, namely, freezing family allowances at their last year's level. We do not think the government should proceed with Bill C-87 in this session.

In all fairness—I have to be careful, because we hold our House—leaders' meetings with a certain amount of confidentiality, but since this matter was discussed, we know the President of the Privy Council has given us these bills, and he announced in public a number of times the bills he wanted dealt with before the end of June or before we rise for the summer recess—he has admitted that we are making it difficult with respect to Bill C-87 and it may be a bill that might be negotiable. Perhaps he or someone on the government side could say so in the course of this debate. I feel very strongly about Bill C-87 and I think it should be held off. I think that Bill C-68 should be dropped altogether. I do not think it is necessary, and I think that with the federal-provincial ministers' conferences that are still taking place, both among first ministers and among

finance ministers, it would be better if that bill were stood. But this produces a kind of mixed package. My friends to the right are saying that they are concerned about Bill C-87. Let us separate this and get things clear. Let us have the Tory caucus give some advice or instruction to their House leader, so that when it comes to meetings of House leaders we know what we are talking about. If they want not to go on with Bill C-87, let us find that out.

Mr. Baker (Grenville-Carleton): Nonsense.

Mr. Mazankowski: Follow the debates in the House, and you will find out.

Mr. Baker (Grenville-Carleton): You know our stand. Don't play that game.

Mr. Nowlan: Comedian!

Mr. Knowles (Winnipeg North Centre): I am usually here. I know what is going on.

Mr. Baker (Grenville-Carleton): You have one foot on each side of the fence.

Mr. Knowles (Winnipeg North Centre): I know what is at the root of the opposition to the motion that is before us today. It is opposition to Bill C-84, to the capital punishment bill.

Mr. Baker (Grenville-Carleton): Nonsense.

Mr. Knowles (Winnipeg North Centre): Behind that is the notion that somehow, if the House is kept going long enough into the summer, that bill could be delayed.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): When the hon. member for Grenville-Carleton heard some retorts from the government side, he said, I think, that he was getting close to the bone, or something. Well, I am obviously getting close to the bone of the Progressive Conservatives. The issue is before the House. I would say that the other subjects, such as Bill C-87, are still negotiable.

Some hon. Members: Oh, oh!

An hon. Member: Is that right, Mitch?

Mr. Sharp: It has not been held up on our side.

Mr. Baker (Grenville-Carleton): On Bill C-87 you have.

Mr. Nowlan: He is in the dark ages. He thinks it is only Bill C-84.

Mr. Speaker: Order, please. There is a great temptation to turn this debate into a House leaders' meeting. Perhaps hon. members should come back to debating the motion before the House.

Mr. Knowles (Winnipeg North Centre): I had exactly the same thought, Mr. Speaker. Why do we not hold our House leaders' meetings on this floor? I submit that Bill C-87 is negotiable. But I submit, also, that with a number of persons on death row with execution dates set for the month of July, it is a reasonable proposition for the House of Commons to make a decision on Bill C-84 at least some time in the month of June.

[Mr. Knowles (Winnipeg North Centre).]

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I say, again, that there is an agreement on the part of the President of the Privy Council not to apply closure to the second reading debate of Bill C-84. If we are not going to apply closure, we have two choices, and it is not for the government to decide; it is for parliament to decide. Do we get in all the speeches that hon. members want to make by debating the bill all of June and into July, or do we allow extra time in June and try to bring the debate to a conclusion so that parliament can make its decision?

I think the sensible thing to do would be to add extra time, and if hon. members still want to continue the debate, they can do so. One of their members down the line can move an amendment for a six months' hoist and let all those who have already taken part in the debate get in again. They can keep it going, if they want to; but let us find out whether there is any disposition to try to bring things to a conclusion before the summer months. I think the motion does this, and we are prepared to support it. We think it is a good idea, but we will continue to negotiate with the President of the Privy Council for dropping Bill C-87 so far as the period of time between now and the end of June is concerned, and the same applies to Bill C-68.

● (1540)

Although I have been a little hard on my Tory friends—

Mr. Mazankowski: Not hard, just wrong.

Mr. Knowles (Winnipeg North Centre): I have not been wrong. I have been around here a while and I know how things operate. The Tories are to be forgiven for being confused. Some of them are more concerned about Bill C-84 than others, and some are genuinely concerned about Bill C-87. But the issue before us in this motion is a very clear and simple one. I have stated it two or three times, but I will state it again. It has been clearly decided and agreed that there will be no closure on the debate on capital punishment, and everyone who wants to speak shall have the right to do so. So the simple question is this: Do we achieve that right for everyone to speak by carrying it on into the middle of the summer, or do we add some extra hours in June with the hope of getting a decision on that piece of legislation in this month?

There have been House leaders' meetings; this question has been discussed and we know that the extra time will be used for that. The other day, when one hon. member was speaking at second reading of Bill C-84, he complained because there was a proposal to sit extra time which was to be devoted only to Bill C-84. The President of the Privy Council asked him across the floor of the House if he would accept the motion if reference to Bill C-84 was left out and it was open for all government bills. Of course, he did not really answer that question. No matter how you put it, our friends to the right want it both ways. The simple question is, when do we want the time for the extra debate on Bill C-84 which hon. members want?

Do we want it in the month of July, or do we want it on Tuesday and Thursday mornings and during private members' hours in the month of June? I think the public will not give us one speck of credit for sitting here all summer to debate something which has been going on for months. I think the public will respect us for having a little more common sense if we support this motion and if we try to make a reasonable amount of headway in the month of June.

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, just a few words about the motion put forward today by the President of the Privy Council (Mr. Sharp). At first, I was very surprised at the conclusion drawn by the Progressive Conservative House leader that he found odd the motion on the extension of hours in today's order paper. Since we had consultations between House leaders and since during these sittings the President of the Privy Council said that if the discussions raised too many points with regard to Bill C-87 and Bill C-68, at this time, we members of the Social Credit Party of Canada do not intend to object to the extension of sitting hours. I think the government wants to be democratic. It wants to extend the hours to complete the consideration of Bill C-84 and also enable all members who would like to speak on that bill and other important one to do so.

If the House wants to adjourn on June 30, we agree. As far as I am concerned, I go once in a while to see my family. I would like to be home sometimes. I do not want to be like the hon. member for Grenville-Carleton (Mr. Baker) who stated that after 300 days the current session had been too long and who in the same breath added that it would have to continue. He should at least know what he wants. Considering that the case at issue has to do with Bill C-87 and Bill C-68, as so well stated by the previous speaker, and that the President of the Privy Council (Mr. Sharp) suggested that the matter was negotiable, I think that we must hasten to vote for the extension of sitting hours to allow the backbenchers who wish to speak on Bill C-84 and other important bills to do so.

[*English*]

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, at the beginning I thought I might be launching into a long harangue, having had my dander raised by the House leader of the official opposition. But what we have learned from the replies of the House leaders of the Social Credit party and the New Democratic Party is that what is taking place here is, in effect, an open meeting of House leaders. There has been an exchange of views, and people are jockeying for position because we are coming to the end of a very long session. It has been the longest in memory.

An hon. Member: In history.

Mr. Blais: I think it has been the longest in the history of this House. We are dealing with a bill which, with the consent of all parties, has taken a considerable amount of time. As I understand it, we have spent a total of 30 hours debating Bill C-84, and there have been 78 speakers. Everyone was in agreement with that, and I think the contributions have been commendable. I think the whole country has benefited from it. I am not trying to prolong this discussion, but I think there has been a general view that we would like to see this motion, which is not a closure motion but simply a motion to have us work harder as we get close to the end of our session, passed so that that particular bill can be passed.

The motion does not say that this House will adjourn on June 30. There has been an indication by the government as to which legislation it gives priority, and the government has to accept its responsibility in passing a certain package of legislation as best it can within the time-frame and the restrictions of the House and the mood of the House. We do not want to create an antagonistic mood in this House. We want to create a mood which at the end of this long session will permit the passage of legislation which the government deems essential.

There has been an indication from the right that there are some bills which they would like to have some chance to negotiate with regard to their passage, or amendments to some of the provisions. That is fair game. But, as the hon. member for Winnipeg North Centre indicated, having spent a great deal of time on Bill C-84, we ought to allow some additional time so that the other pieces of legislation which the government feels are important and necessary can be given a sufficient amount of time on the floor of this House to be intelligently debated. I have no indication as to which ones are to be negotiated. Surely that is something which should be the subject of further negotiations between the House leaders.

The government House leader indicated that he is ready to negotiate certain aspects and certain bills. He is ready to meet again with the House leaders whenever the need is felt. Surely every member in this House is anxious, in view of the heat—especially of last week—to recognize that we have spent a great deal of time in Ottawa, that we have a number of fences to mend in our constituencies and that we have been away from them for an overly long period of time. I am one of those who is very close to his constituency, namely, 240 miles away—, which is not far—and I find that if I can manage three weekends a month in my constituency, that is the maximum. That is not enough if we are to serve our constituents in the proper way.

Those who come from afar are in a worse position than I am. I am looking at the hon. member for Vegreville. Surely, he recognizes that his constituents have not seen him as much as he would like. The same is true of the hon. member for Nanaimo-Cowichan-The Islands, and all hon. members on this side. It has been a long time. Sometimes our constituents do not recognize that we spend ten months of the year engaged in the legislative process in this House. We are tied to this House; all hon. members opposite recognize that. I agree that if we are going to shore-up our bargaining positions, there is a necessity to try to use such instruments as we have available to us. That is fair game. But I think that on the whole we should recognize that this House has been sitting long enough in this session.

● (1550)

We should also recognize that we ought to be coming up with a new legislative program in the early fall, on the government side, and a rejuvenated attitude on the opposi-

tion side, so that we can deal with the legislation that will be proposed in the government's new program in an intelligent manner, for the benefit of all Canadians.

Hon. Robert L. Stanfield (Halifax): Mr. Speaker, I should like to speak very briefly and quietly, because my throat will not permit me to do otherwise this afternoon, even if I were so inclined. I must say that there are aspects of Bill C-87 that I cannot accept. I would not consider that I would be discharging my responsibilities to the part of the country I come from if I did not make a very determined effort to prevent it going through in its present form. What I am concerned about in the passage of a resolution such as this is that with the extra hours the government might very well steamroller—I am not concerned about a vote coming on Bill C-84, because I want to see a vote taken on it—

Some hon. Members: Hear, hear!

Mr. Stanfield: —but I am concerned about the government using the extra hours to streamroller and beat down an opposition trying to fight for what it considers to be the necessary point and necessary principle in regard, specifically, to Bill C-87.

The hon. member for Winnipeg North Centre and the parliamentary secretary to the government House leader say these things are negotiable. If they are negotiable, let us have them negotiated. The government House leader will say now that Bill C-87 will not be pushed; that it will go into the fall, or something like that. As far as I am concerned, the more time people have to discuss Bill C-84, the better; but I would find it very difficult to put my colleagues in the position or to be associated with taking a position which would allow a government with a majority to steamroller something through which might have great tragic consequences to my part of the country.

I say to the government House leader, to the hon. member for Nipissing and to the hon. member for Winnipeg North Centre: Do not ask me to vote for this and then negotiate. That is too late.

Mr. Sharp: Mr. Speaker, could I ask a question of the hon. member for Halifax? If an arrangement were made that Bill C-87 would not be proceeded with, would he and his party support this motion?

Mr. Stanfield: No, Mr. Speaker, I would be hedging. I can no longer speak for the party. Certainly, I would be prepared to vote for this motion, and I have pretty good reason to believe it would go through very quickly this afternoon.

Mr. Baker (Grenville-Carleton): I rise on a point of order, Mr. Speaker. The President of the Privy Council knows the discussion we have had with respect to Bill C-87 and our attitude to it. He knows, as well, that negotiations have been carried on by the hon. member for Edmonton West, on behalf of our party with the President of the Treasury Board and the Minister of Transport who were interested in the matter. He knows now that those negotiations did not bear fruit.

Since the hon. member for Winnipeg North Centre decided to open up the House Leaders' meetings, I shall open them further. The hon. member will recall that I spoke to the minister at the last meeting and suggested that he consult again with his colleagues in respect of Bill C-87 as there would be some great difficulty in our dealing with the bill while clause 15 remained in it. The hon. member for Winnipeg North Centre may be interested in something else. I cannot answer as to that, but I am prepared to say that if the government House leader will consult his cabinet colleagues again—either the two I mentioned, or all of them—and deal with me or, better still, the hon. member for Edmonton West, with respect to our concerns, I think perhaps I could answer his question in the affirmative. That is an offer.

Mr. Speaker: Order, please. Before going on with the debate, there has been some suggestion which would at least give rise to the thought that further negotiations might take place before the vote on this motion comes about which would call for an adjournment of this debate, further negotiations, resumption of the debate and a vote on it. I do not know if there are others who wish to speak to the motion.

Mr. Sharp: Mr. Speaker, I do not know whether I should adjourn the debate. I am not sure what sort of problem that would create. In principle, however, I hope there can be a recess in the debate until nine o'clock tonight. I would be very happy to have some further discussion with my confreres, the other House leaders. As the hon. member said, we have had some discussion already, but it has never been clear. I think that in this way we might resolve the issue.

Mr. Speaker: Order, please. Is it agreed that this debate be now adjourned until nine o'clock this evening?

Some hon. Members: Agreed.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 4,378, 4,532 to 4,536, inclusive; 4,893 to 4,895, inclusive; 5,151, 5,308, 5,341, 5,343, 5,391, 5,467, 5,482 and 5,496.

Mr. Speaker, the answer to question 5,308 is corrected.

[*Text*]

PSYCHOLOGISTS—OSBORNE CENTRE

Question No. 4,378—**Mr. Hnatyshyn:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Osborne Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHOLOGISTS—CARLTON CENTRE

Question No. 4,532—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Carlton Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHOLOGISTS—PORTSMOUTH CENTRE

Question No. 4,533—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Portsmouth Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHOLOGISTS—MONTGOMERY CENTRE

Question No. 4,534—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Montgomery Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHOLOGISTS—ST. HUBERT CENTRE

Question No. 4,535—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at St. Hubert Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHOLOGISTS—PARRTOWN CENTRE

Question No. 4,536—**Mr. MacKay:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychologists at Parrtown Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada (iii) individual salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHIATRISTS—OSKANA CENTRE

Question No. 4,893—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Oskana Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

Order Paper Questions

PSYCHIATRISTS—ALTADORE CENTRE

Question No. 4,894—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Altadore Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

PSYCHIATRISTS—SCARBORO CENTRE

Question No. 4,895—**Mr. Reynolds:**

For the years 1970 to 1975, what was the number of (a) full-time (b) part-time psychiatrists at Scarboro Centre and, in each case, what were their (i) educational qualifications (ii) previous work experiences in Canada and abroad (iii) salaries?

Mr. Hugh Poulin (Parliamentary Secretary to Solicitor General): Nil.

FEES PAID TO GOWLING AND HENDERSON, OTTAWA, DURING PAST FOUR YEARS

Question No. 5,151—**Mr. Orlikow:**

1. What was the total fees paid by the government in the past four fiscal years to Gowling & Henderson, Barristers, 160 Elgin Street, Ottawa?

2. What is the breakdown, by department and agency, of how such fees were earned?

Mr. Francis Fox (Parliamentary Secretary to Minister of Justice): In so far as the agents of the Minister of Justice are concerned: 1 and 2.

Department	1972/73	1973/74	1974/75	1975/76
D.N.D.	9,689.97	12,408.80	21,017.24	1,505.75
E.M.R.	540.00		2,465.85	2,695.85

HELICOPTER SERVICE BETWEEN DORVAL AND MIRABEL AIRPORTS

Question No. 5,308—**Mr. Cossitt:** (Corrected)

Has the government given any consideration to the establishment of passenger and baggage helicopter service between Dorval and Mirabel Airports to facilitate quicker and easier passage of passengers making connecting flights and, if not (a) for what reason (b) will the matter be given consideration?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Transport Canada has not given any consideration to the establishment of passenger and baggage helicopter service between Dorval and Mirabel Airports. (a) Reasons: (i) A bus services is already being provided by the Montreal Urban Transportation Committee, scheduled every half hour between 1330 and 2330 (peak period at Mirabel) and every hour between 0600 and 1300, for a total of 29 return trips per day. (ii) Current departmental policy leaves the provision of all such services open for competition; to this date there has been no application by private companies. (b) Future Considerations: Transport Canada has no intention of changing current policy with respect to the provision of such services. However

consideration will be given to provision of services by other modes.

USE OF AIRCRAFT BY PRIME MINISTER

Question No. 5,341—**Mr. Cossitt:**

With reference to the answer to Question No. 5,126 that the cost of the aircraft for travel to and from Campobello Island was $586 per hour (a) what was the total amount of flying time involved and the total cost (b) what was the total amount of waiting time involved, if any, and the total cost (c) did the aircraft and crew remain with the Prime Minister during his stay and, if so, what was the total cost of their stay (d) did the aircraft fly back to Ottawa, returning to pick-up the Prime Minister later and, if so, what was the total cost of all flying time involved?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): (a) Five hours. Total Cost, $2,930.; (b) Not Applicable; (c) No; (d) Yes. For total cost see (a) above.

USE OF AIRCRAFT BY PRIME MINISTER

Question No. 5,343—**Mr. Cossitt:**

With reference to the answer to Question No. 5,123 that the cost of the aircraft for travel to and from French River was $586 per hour (a) what was the total amount of flying time involved and the total cost (b) what was the total amount of waiting time involved, if any, and the total cost (c) did the aircraft and crew remain with the Prime Minister during his stay and, if so, what was the total cost of their stay (d) did the aircraft fly back to Ottawa, returning to pick-up the Prime Minister later and, if so, what was the total cost of all flying time involved?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): (a) One hour and 20 minutes. Total Cost, $781.; (b) Not Applicable; (c) No; (d) Yes. For total cost see (a) above.

FEDERAL GOVERNMENT—AMOUNTS OF SURPLUS OR DEFICIT FROM 1969 TO 1975

Question No. 5,391—**Mr. Crouse:**

On a national accounts basis, what were the amounts of the surplus or deficit for the years ending March 31, 1969 to March 31, 1975 both inclusive?

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): On a National Accounts basis, the federal government surplus or deficit for each of the fiscal years from 1968-69 to 1974-75 is shown in the following table:

	Surplus or Deficit (−) ($ Millions)
1968-69	75
1969-70	978
1970-71	−94
1971-72	−243
1972-73	−256
1973-74	−46
1974-75	−609

[Mr. Goodale.]

AGREEMENT BETWEEN FEDERAL GOVERNMENT AND GOVERNMENT OF QUEBEC CONCERNING WARTIME TAXES

Question No. 5,467—**Mr. Allard:**

1. Was an agreement concluded between the government and the Province of Quebec on May 13, 1942, concerning the suspension of certain taxes during war time and, if so (a) what were the names and job titles of those who signed the agreement for and on behalf of each government (b) is it possible to obtain a signed copy (c) which taxes were suspended by the agreement?

2. Has the agreement lapsed and (a) if so (i) on what date and in what manner (ii) has there been any renewal of the agreement (b) if not, for what reason?

Mr. Jacques-L. Trudel (Parliamentary Secretary to Minister of Finance): 1. Yes, concluded and signed on May 27, 1942; (a) Hon. J. L. Ilsley, Minister of Finance, Canada; Hon. J. A. Mathewson, Provincial Treasurer, Quebec; (b) Yes—from Files in Public Archives; (c) Provincial Personal Income Taxes; Provincial Corporate Income Taxes; Certain Special Corporation Taxes; Provincial Succession Duties.

2. Yes; (a) (i) On April 1, 1947 upon the expiry of the wartime agreement; (ii) No; (b) The agreement was a wartime measure only.

TORONTO INTERNATIONAL AIRPORT—NUMBER OF REVENUE PASSENGERS

Question No. 5,482—**Mr. Stevens:**

For the years 1973, 1974 and 1975, by quarter, what was the total number of revenue passengers (a) enplaned (b) deplaned at (i) Toronto International Airport, Terminal 1 (ii) Montreal International Airport (Dorval) (iii) Montreal International Airport (Mirabel)?

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Table I (following) provides the requested quarterly total number of revenue passengers enplaned and deplaned at Toronto International Airport, Terminal 1. These data refer to scheduled passengers only. Annual 1975 figures are not yet available, therefore an estimate was made based on 11 months of data. Table II refers to the number of charter passengers enplaned and deplaned at Terminal 1 and Terminal 2. Charter passenger data are not available on an individual Terminal basis.

Table I
Toronto International Airport—Terminal 1
Enplaned and Deplaned Passengers—Total Scheduled Services

		Enplaned	Deplaned	Total
1973	1st quarter	910,369	919,875	1,830,244
	2nd quarter*(1)	533,510	539,011	1,072,521
	3rd quarter	335,309	338,759	674,068
	4th quarter	299,657	290,519	590,176
	Total	2,078,845	2,088,164	4,167,009
1974	1st quarter	293,361	310,496	603,857
	2nd quarter*(2)	333,201	351,377	684,578
	3rd quarter	431,859	446,365	878,224
	4th quarter	341,454	330,670	672,124
	Total	1,399,875	1,438,908	2,838,783

1975*(3)	1st quarter	307,108	321,882	628,990
	2nd quarter	354,807	375,247	730,054
	3rd quarter	430,224	446,990	877,214
	4th quarter*(4)	343,039	329,985	673,024
	Total	1,435,178	1,474,104	2,909,282

*(1) Air Canada's Terminal 2 passenger figures for the period April 23 to April 30, 1973, are included in the 2nd quarter data.

*(2) Air Jamaica's and Aeronaves' de Mexico Terminal 2 passenger figures for the period June 16 to June 30, 1974, are included in the 2nd quarter data.

*(3) Preliminary statistics.

*(4) December figures were estimated based on 11 months of preliminary 1975 data.

Table II
Toronto International Airport—Terminals 1 and 2
Enplaned and Deplaned Passengers—International Charter Services

		Enplaned	Deplaned	Total
1973	1st quarter	93,427	96,172	189,599
	2nd quarter	92,617	87,199	179,816
	3rd quarter	178,367	197,069	375,436
	4th quarter	68,462	55,944	124,406
	Total*	432,873	436,384	869,257
1974	1st quarter	119,433	115,947	235,380
	2nd quarter	104,103	113,334	217,437
	3rd quarter	174,670	179,623	354,293
	4th quarter	90,473	75,310	165,783
	Total*	488,679	484,214	972,893
1975	1st quarter	147,236	148,421	295,657
	2nd quarter	123,276	141,083	264,359
	3rd quarter	188,593	191,091	379,684
	4th quarter	100,723	80,291	181,014
	Total*	559,828	560,886	1,120,714

*Annual published numbers may differ slightly due to adjustments in quarterly published numbers.

OFFICE OF CO-ORDINATOR OF PARLIAMENTARY RETURNS

Question No. 5,496—**Mr. Cossitt:**

1. What are the names, job designations and annual salaries of all persons employed in the Office of the Co-ordinator of Parliamentary Returns as of July 8, 1974?

2. Since July 8, 1974, what are the names, job designations and annual salaries of persons who have joined the staff of the Co-ordinator of Parliamentary Returns?

Order Paper Questions

3. What are the names, job designations and annual salaries of all persons employed in the Office of the Co-ordinator of Parliamentary Returns as of the date this questions is answered?

4. What is the date this question was answered?

Hon. Mitchell Sharp (President of the Privy Council): 1.

Name	Title	Salary Range
Guimond, G. Y.	AS-3	$12,512-14,181
Jubinville, L. (now Sanscartier)	CR-3	7,777- 8,499
Lajoie, L. L.	CR-3	7,777- 8,499
Lavigne, L.	CR-3	7,777- 8,499
MacAulay, L.	CR-3	7,777- 8,499
Paquette, D.	AS-5	16,373-18,573
Régimbald, R.	CR-3	7,777- 8,499
Roy, G.	CR-4	8,633- 9,438
Simard, L.	ST-TYP-02	6,036- 6,584

2. Name	Title	Salary Range
Charette, F.	ST-TYP-02	$6,036- 6,584
Dinel, L. R.	CR-4	9,280-10,146
du Perron, R. A.	CR-4	9,280-10,146
Gorley, D.	ST-TYP-01	5,602- 6,462
Macfarlane, R. M.	CR-4	9,280-10,146
Racine, L.	ST-TYP-02	6,036- 6,584
Régimbald, L.	CR-3	8,360- 9,136

3. Name	Title	Salary Range
Charette, F.	ST-TYP-02	$6,489- 7,078
Dinel, L. R.	CR-4	10,394-11,364
Gorley, D.	ST-TYP-02	6,489- 7,078
Guimond, G. Y.	AS-3	13,638-15,457
Macfarlane, R. M.	CR-4	10,394-11,364
Paquette, D.	AS-5	17,847-20,245
Régimbald, L.	CR-3	9,363-10,232
Régimbald, R.	CR-4	10,394-11,364
Roy, G.	CR-5	11,796-12,901
Sanscartier, L.	CR-3	9,363-10,232
Simard, L.	CR-3	9,363-10,232

4. The Government takes responsibility for the answers it provides to questions on the *Order Paper* and for the process involved in replying to such questions. It is not appropriate therefore to provide information such as asked in this question about internal administrative workings.

[*English*]

Mr. Blais: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

Mr. Speaker: Is it agreed that the remaining questions be allowed to stand.

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed, from Friday, June 4, consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I suppose one of the reasons we had discussion between three o'clock and four o'clock today on the motion to extend the hours is that the government, in its modesty, has deceived the people of Canada and the members of parliament through its handling of certain legislative processes introduced in Bill C-84. In 1973 the government introduced a bill which was to extend the death penalty for another five years in certain circumstances. Subsequently, at committee stage the Solicitor General (Mr. Allmand) tried to introduce an amendment which in effect was going to abolish capital punishment, but it was ruled out of order.

Now, some three years later, without waiting the five years they pledged, the government—without providing the right framework for this legislation—is back, with the same Solicitor General, trying in a neat piece of manipulation to get out of the commitment made at the time the legislation requiring extension for the first five years was introduced. By deceiving the Canadian people, deceiving themselves and going back on their word, the government has become bogged down with this legislation.

● (1600)

I now turn to the principles of Bill C-84. We are debating a bill which is to provide for the abolition of capital punishment. But it must be made clear that not all killings are murder. Most killings are homicides. Homicide usually involves violent death. Some call all homicides murder. With respect, they are wrong. For example, accidental deaths are not murder; suicides are not murder; manslaughters, usually involve a killing arising from an act of passion. You hear of people getting drunk, then getting into an argument, getting hold of a butcher's knife and stabbing someone. Such acts should not be called murder and in those circumstances the accused will probably be charged with manslaughter. This sort of thing is on the increase; probably that is why manslaughter statistics are high.

Then there is murder itself to be considered. I have been interested in this subject for some time and reluctantly must count myself among the ranks of the retentionists. Abolitionists contend that most murders are accidental. They argue that if a criminal armed with a rifle, machine-gun or other weapon enters a bank with no purpose save that of relieving the bank of the burden of keeping $1 million, or some large sum, and kills somebody who interferes with the smooth operation of the robbery, that killing should not be classed as murder but as accidental death.

The abolitionists claim that the death would not have happened if someone had not got in the way and interefered with the smooth operation of the crime. Retentionists say it is premeditated murder, because the person committing the crime went equipped with a firearm or weapon which he intended to use, and did use when the crime did not go as smoothly as the criminal wanted. In that case one is talking of murder resulting from a premeditated criminal act. I am not talking of the sort of premeditated murder involving a paid killer who is paid to kill Mr. X and hunts him down and kills him. The situation I have described, I believe, involves murder; it is not accidental murder as some abolitionists might claim because the criminal went prepared to kill.

Perhaps all this is a reflection on our society. Most of the letters which I receive have to do with capital punishment, abortion and gun control—three issues dealt with by the criminal law. I suppose they involve the moral law. Apparently our people are more concerned about these questions than about, for instance, the budget, economic development, unemployment insurance or those things which go to improve our quality of life. Those are important moral issues of great concern to the people of this country.

I propose to vote for the retention of capital punishment. I would vote for the retention of capital punishment in cases where death results from a premeditated criminal act. In the previous debate I said, on May 22, 1973, that the question of abolition or retention could come up again society had experienced a period of security. I said at that time, I would vote for the abolition of the death penalty. Mr. Speaker, I cannot do that at this time because we have not been given the five-year period of grace provided by the 1973 legislation. Further, society has not experienced a sense of security. I regret having to take this position.

I believe that the first duty of the government is to protect the state and the people of the state. I say that the people of Canada are entitled to feel secure. This government and preceding governments have failed in their efforts to make our people feel secure. Our people are entitled to the secure enjoyment of their standard of living. Legislation this House passes ought to make the people feel secure. Yet society does not feel secure; it feels insecure. Our statistics show an increase in the rate of violent crime. The result is that members of our society have opted for the return of capital punishment.

I do not believe that a member's vote on a bill should necessarily reflect the results of the most recent poll or the opinion of his constituents. I believe a member is elected to exercise judgment. In the present instance, I intend to vote in accordance with the wishes of the majority of my constituents. This time I am lucky. Next time I may not be so lucky and may vote in a manner against the wishes of my constituents.

Society's lack of sense of security prompts my voting for the retention of capital punishment. I think the concern of our citizens would be somewhat lessened if the government were to introduce legislation for which I asked in May, 1973. I asked for legislation to shore-up the inadequate bail system, which would give the people of this country a greater sense of security, for amendments which would revoke our ridiculous parole laws and for other legislation which would help the average citizen feel more

secure. The government did not do that. Actually, it acted on part of our recommendations by bringing in the peace and security legislation, Bill C-83. Previously, I criticized the 25 per cent statutory remission provision always being in favour of the criminal. This provision is to be revoked under Bill C-83. In May, 1973, I asked the government to pass such legislation. If the government had listened and the legislation had come into effect, perhaps the attitude of our people would be different. Perhaps our people would feel secure.

● (1610)

One area in which the government has not legislated happens to be in the area of gun control. I know the government has put forward Bill C-83 dealing with gun control, and I have been trying to follow that as best I can, along with other committees in which I am involved. But if we feel guns are so important a cause for criminal acts, if we want to control them, let us get down to the nitty-gritty and try to control their possession by the criminal element, not just their use by law-abiding citizens. Under the present legislation, between section 86 and section 105 a person can be prosecuted for possession of a firearm. That provision is being reintroduced in the new bill, C-83, with a minimum sentence of one year. I would like to see it made mandatory that a person possessing a firearm be prosecuted for possession of that weapon prior to his prosecution for the substantive offence, be it armed robbery, kidnapping, rape, murder, or whatever.

If firearms are so important, let us get down to prosecuting for their possession. As it is today, if a person is picked up by the police for armed robbery and possession of a firearm, I know very well his lawyer will go to the Crown attorney's office and say, "We will plead to armed robbery if you drop the possession charge". The Crown attorney will say "Yes." He does not want to go through a four-day trial. It means a lot of expense. The courts are backlogged. I have been in the position of Crown attorney, and I know this to be true. It is called plea bargaining. What I want to do is take away the right to plea bargaining where armed weapons have been used. I think this would be a very good thing and maybe an effective deterrent.

I feel the people of this country are concerned about the fact that the royal prerogative of mercy has been used 100 per cent since 1962. I do not think 100 per cent of the people convicted of murder in this country were entitled to mercy. The juries did not recommend it in 100 per cent of those cases. The accused were sentenced to death in accordance with the law. But cabinets, acting as a final judicial tribunal, have invoked the royal prerogative of mercy 100 per cent of the time. I believe this has helped to create a disregard for the law in the eyes of the criminal and make the law something of a laughing-stock among both criminals and the law-abiding section of society who do not feel protected. Their sense of security and protection is undermined by the record of 100 per cent commutations.

I think it would be wrong to continue commuting on a 100 per cent basis if this bill fails to pass. The royal prerogative should be retained for truly important cases where mercy is recommended by the jury or the circumstances jump right out and almost plead for mercy. But in the case of people like the Santa Claus murderer who, after shooting a person, came back and machine-gunned the victim further to make sure he was dead, I do not really think there is any call for mercy—and the jury in that case did not recommend mercy. Yet the government of the day commuted that sentence.

Mr. Speaker, I believe capital punishment to be a deterrent. Some abolitionists have written to me and said, "Yes, we believe it is a deterrent, although we don't know how we can prove it statistically", because, of course, we get caught up in cases where it was not a deterrent; we get caught up in statistics which say that it is not. I think statistics can prove anything. Anyone can make statistics say whatever they like. But I believe the fear of excution is a deterrent.

Statistics are not necessarily correct. I would like to quote from evidence given under oath in the case of *Her Majesty v. David Brault, David Dwyer and Donald Phillion* which was heard about six years ago here in Ottawa—it became known as the Carp murders. These three men followed two separate cars and out on Highway 44, below Carp, without being provoked one bit, they flagged down the two cars. The occupants got out of their cars, like good Samaritans, and these three men shot them to death, pumped their bodies full of lead on Highway 44, about 23 miles from here.

Within a short period of time—as a matter of fact, I think it was about three days—the police had traced the three accused people to various communities. One of them, David Dwyer, was traced to Windsor. He was downstairs in a cellar when a certain constable, Constable Chippit, entered the house, went down the cellar stairs and rounded the corner, at which point Dwyer had a .22 rifle pointed at his head and could have pulled the trigger and killed the constable. I quote from page 252 of the preliminary hearing of the sworn testimony of the constable, evidence which was uncontested. I am excluding certain portions which have no bearing on what I am saying.

Q. What name did you know the accused by at that time?

A. David Dwyer.

Q. When you saw him, how was he dressed?

A. He had a brown jacket on, hair blond and he had what appeared to be a .22 rifle pointed at my head.

Q. How long was this weapon?

A. It was sawed off, cut down.

Q. Was there any struggle?

A. No struggle at all.

Q. Did Dwyer say anything at this point?

A. He just walked out very nonchalantly. After I said "Drop it", he said "All right" and walked out.

Q. Was there any conversation on the way to the station?

A. Yes, there was.

Q. What was the conversation?

A. You are talking about conversation in the car after we left the scene?

Q. Yes.

A. The conversation was, if I remember, we were talking of an armed robbery in the city of Windsor. I stated, "Well, this time don't worry about it," and he said, "No, this is a bad city to pull a robbery. I have had better luck other places."

Q. This was Dwyer; is that correct?

A. This is correct.

● (1620)

Then at page 254 of the evidence there is this question from the Crown attorney:

All right. Would you like to go back into the box. What was the accused's attitude during the time you were in his company?

A. He was very nonchalant, sir. He asked me for a cigarette, and then when we were leaving the scene, or the car was leaving the scene in the police car W.H.Q.

That is Windsor headquarters. The questioning continued:

Q. Did you get the cigarette?

A. I looked at him—

Meaning Dwyer.

—and said, "You guys are crazy; just had a gun to my head and now you want a cigarette." He said—

Again, meaning Dwyer.

—"I would not shoot you, I would hang for that."

I believe, therefore, that capital punishment is a deterrent. This police officer was alive to tell the tale because he was not shot. He was not shot because Dwyer did not want to hang, and he said so in sworn evidence. I do not care what people say about statistics, Mr. Speaker. I say that if you talk to individual people you will find capital punishment is a deterrent. I am not saying it is a deterrent in 100 per cent of the cases, but here is evidence that at least one person is alive because it was a deterrent.

I want to close by making two further points. I do not believe the government has been honest with the Canadian people because it has not carried out the law during the five-year period of abolition of capital punishment in the case of the murder of police officers and prison guards. They did not give the law a true trial. When the period was extended in 1973, again the government was not honest. In fact, before the bill was out of committee the Solicitor General tried to change it to an abolition bill entirely. The government does not invoke the law and, as a result, it has been laughed at ever since. The government's trickery and manipulation has continued.

In addition, the government has been using the Canadian taxpayers' money to try to force the opinion of cabinet, which is for abolition, on the people. For example, in question No. 5,348 I asked the Solicitor General about the monthly magazine *Liaison*, volume 2, No. 2 for March, 1976, which dealt with the peace and security legislation, a governmental piece of propaganda if ever there was one. In this magazine the government speaks of capital punishment and its "great" gun control bill, to which the Solicitor General has now introduced 43 amendments since, having listened to people, he has found out it is not so great.

The government has spent $8,252 of the taxpayers' money on trying to convince people that abolition was the right thing and to support the cabinet's case. Some 9,300 copies of this magazine were printed, and a copy was distributed to every member of parliament.

I thought it only fair, if the government wants to be fair and to take a reasoned look at this question, to allow the other side of the coin to be explained also at taxpayers' expense, so in the fifth part of my question I asked whether the government intended to publish the next issue containing views contrary to the government's own political views relating to peace and security, as set out in Bill C-83 and Bill C-84. The answer, Mr. Speaker, screams; it is "No". As I say, this is a departmental publication paid by the taxpayers. People who receive *Liaison* do so free of charge, and it puts only one side of the question, that of abolition, which is the view of the Solicitor General and the Minister of Justice. The government does not want to discuss and will not provide space at taxpayers' expense for the other side of the question. I think this is cheap, rotten trickery on behalf of the Solicitor General and is completely in line with his own steadfast view on abolition and "I don't want to hear about anything else".

The government would not, of course, want to publish what has been published on other occasions, such as the view of University of Chicago economist Professor Ehrlich that from 1935 to 1969 each additional execution per year may have resulted in seven to eight fewer murders being committed. They do not print such figures because it is contrary to their view. Although this article has been challenged by a number of abolitionists and others who deal with statistics, and indeed has been found to be statistically complicated, it nevertheless happens to be a view. If the government wants to have reasonable discussion of the question it should give us a balanced view, especially when every member in this place knows that 78 per cent of the taxpayers happen to disagree with the government. Yet the government spends taxpayers' money against the taxpayers' wishes.

There is little more that I can say, Mr. Speaker. I have tried to outline the areas that concern me. People continually misrepresent murder. When they should be talking of homicide, they talk of murder. Any death that results from a premeditated criminal act should be classified as a case of murder; this should be so in all cases, not just in the case of prison guards and police officers. I have stated that the government have undermined the judicial system. They have not concentrated upon rehabilitation. Through the parole system and weak bail laws, they have over the years undercut the sense of security that people had. They have commuted 100 per cent of the death sentences that have been handed down—and this is wrong. I believe capital punishment is a deterrent, and I have quoted from a court record evidence that I believe bolsters that opinion. I think the Solicitor General has been absolutely wrong in spending the taxpayers' money to outline his and the cabinet's side of the issue without giving equal time and space to the other side.

I should like to repeat something that I said in 1973. I used to be an abolitionist until I became a Crown attorney and prosecuted criminals every day for almost three years. Having prosecuted and dealt with criminals in that atmosphere, and knowing them as the professionals that they consider themselves to be and their attitude to the law, I reluctantly changed my view. I will become an abolitionist again when the people of this country regain their sense of peace and security.

I believe that if the government implemented many of the protective measures in Bill C-83 and Bill C-84 for the good of society—though I should add there is an awful lot of junk in the bills as well—and allowed a period of, say, five or six years to go by so that society could regain its self-confidence and sense of security, then no matter what

my constituents might say to me, presuming I was still a member at that time, I would vote for abolition. But I cannot vote for abolition now, Mr. Speaker, because the government has not put into place effectively the proper laws to bring about what every Canadian citizen is entitled to, namely, a sense of protection and security. If the government were to do that, then somewhere down the line I would support it. But I cannot support it now because it is premature, and for that reason I intend to vote for the retention of capital punishment.

● (1630)

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, I appreciate the opportunity of taking part in this debate, and, I will probably not detain the House of Commons very long in making my remarks. I repeat what is, I am sure, well known to the House, that the point of view I will be expressing will be strictly a personal point of view. I am speaking in this debate for no member of parliament other than myself. We on this side of the House are going to have an absolutely free vote on the question of this legislation.

Some hon. Members: Hear, hear!

Mr. Clark: My views, sir, on the question of capital punishment are well known in the country. It would be improper for me, as leader of my party, to attempt to use my position of leadership to impose my views upon others of my colleagues who do not share them on a question involving a free vote. Were I to follow that course, I think it would undermine the principle of a free vote which, while it is resorted to only rarely in parliamentary practice in Canada and elsewhere, is a very important element of our parliamentary system, one that I would not want to jeopardize. I would hope that the determination not to use the office to influence the views of colleagues in a party will be observed as scrupulously by leaders of other parties in this House.

Some hon. Members: Hear, hear!

Mr. Clark: There is one other matter to which I want to make some reference, which has to do with an obligation I consider to be a very heavy obligation on the government, to itself obey the law. I want to make it abundantly clear, as I have frequently outside this House, that if the law of the land is a law which supports capital punishment in a time when my party is in office and I am the prime minister, my government will support the law of the land. We will enforce capital punishment even though I, personally, may not agree with it.

Some hon. Members: Hear, hear!

Mr. Clark: I believe there is a fundamental requirement in our country that has to do with the legitimacy of government; that governments themselves obey the law and be seen to obey the law.

Some hon. Members: Hear, hear!

Mr. Clark: I have to say, having read much of the debate which has occurred here, and having had a chance to listen to some of my colleagues on all sides of the House join in the debate, that I am pleased at the general tenor of debate here. I think it has generally been a moderate debate in which there has not been an attempt on either side to characterize people who might disagree as being either the enemy of civilization or the enemy of order. I think this indicates a maturity of approach in this chamber to this difficult question, which is commendable and encouraging.

My approach to the question of capital punishment, sir, is that we are not here dealing with a question of principle about the right of the state to take lives. Of course the state has that right. We are dealing, instead, with a much more pragmatic question as to the conditions under which the state is justified in taking life. It is my view that a society which respects human life, as ours does, must be extremely careful as to the occasions on which it takes human life.

There are times when I think the taking of human life can be justified by the state and a society such as ours. The easy example, of course, has to do with war. Had any one of us had the obligation placed upon us to determine whether Canada would have entered the conflict in the second great war, we would have agreed that Canada ought to do so even if it was known that the inevitable consequence of that act would have been the loss of human life. The point we draw from that is that the taking of human life, or the entering into actions which will involve the loss of human life, is something that can be justified only when that is the only means of achieving the necessary and important social goals. In the case of capital punishment, it can be justified, it seems to my view, only under those circumstances when we are sure it is the only way that will achieve the important social goal of stopping potential murderers from committing murder.

Some hon. Members: Hear, hear!

Mr. Clark: In my examination of the evidence and, like other members of the House, I have made it my business to look at the evidence as it relates to the deterrent effect of capital punishment—it has been my judgment that capital punishment does not function as a deterrent in the case of those peculiar people who commit murder. There is certainly the argument which would suggest that most of us who consider ourselves normal would consider ourselves to be very much affected by the threat of capital punishment, and the threat would stop most of us from committing murder. The fact is that most of us would not commit murder in any event. What we have to do is determine whether the threat of capital punishment would stop those people who are likely to take human life, or likely to commit murder, from undertaking that act. I have seen no firm evidence to suggest that the threat of capital punishment is a deterrent. Certainly, I have not seen or heard conclusive evidence that I think would warrant the irreversible act of taking life by the state.

What has happened here, and the reason we are debating this issue again, and the reason it has become an issue which has commanded attention and aroused concern across the country, is that capital punishment has become a symbolic issue. We are not dealing simply here with the narrow question of deterrence. We are dealing here with a very real concern that grips many Canadians about order in our society, about their sense of security and their sense of safety. There is no question but that there is now in this

country a widespread concern about insecurity. That is partly natural and flows in part from the fact that our society is growing larger, growing more complex and growing, I suppose, more dangerous. It is partly induced by the emphasis that has been referred to very eloquently by others in this House; that is, the emphasis in the media on violence and the emphasis on violence in other aspects of life. It is also in this particular case induced, I think, by a very real distrust of the present government and a distrust of the government's attitude in this matter of maintaining public security and order.

My colleague who spoke immediately before me made reference to the use—and I would regard it as an abuse—of the prerogative of mercy. In my judgment, this is a prerogative that must be maintained by any cabinet as there is always a chance that mistakes will be made which will require that prerogative to be exercised. But the prerogative should be exercised rarely, because that is how it was intended to be exercised. Instead of being exercised rarely, it has been the unfortunate practice of the present government to exercise it regularly. There have been consequences from that regular exercise of the prerogative.

One of the consequences has been that many Canadians who are concerned about this question, and many of those who reply to questionnaires and express their concern about capital punishment, simply do not believe this government is serious about enforcing a sense of security or enforcing a society of order. Adding to this general concern about the security of our society, there have also been very real and genuine concerns allowed to develop about the effectiveness of the penal system in Canada. These things have all combined; the natural forces of urbanization, the concern about failure relating to penal institutions, and the concern about the conduct or the seriousness of the government in respect of this matter, and have all contributed to a sense of insecurity in the country, to which capital punishment has unfortunately become symbolic. I think it would have been better if, before proposing a bill to abolish capital punishment, the government had addressed in a serious manner this question of public anxiety and public concern about safety and security.

● (1640)

I think it would have been better if, before a bill to abolish capital punishment had been brought in, there had been a demonstration not simply by proposals but by government action of the seriousness of the government in trying to achieve a more ordered and secure society. Instead of that, we have had brought in, in tandem with the bill to abolish capital punishment, a bill which deals in some degree with gun control and other matters.

I think what is important in this companion piece of legislation is the gun control aspect, which I regard as a very cynical attempt to allay public fears rather than address the source of the public concern. I repeat that it would have been far better if, as a prelude to this bill to abolish capital punishment, there had been some demonstrated determination by the government of Canada to address the very real concern that Canadians, wherever they live, feel now about the question of public security.

We must recognize that the desire for order is a very legitimate desire in our society. It is, in fact, fundamental to a functioning society. Personally, I am prepared to go some distance toward achieving and encouraging that sense of order, that sense of security. I am prepared, in fact, to move in that direction even at some cost to other important social goals such as rehabilitation and others which might be recommended to us such as our concern with regard to penal reform. I am prepared to go some distance in this direction toward achieving a sense of public security, but I make clear that I am not prepared, in the interest of securing a sense of public security, to go to the length of taking human lives in the name of public policy, or at least to do that without adequate cause.

I repeat what I said at the outset, that the only adequate cause, in my view, would be if it could be demonstrated that that was the way, and the only way, in which we could deter potential murderers from committing murder. I think also, as we consider this matter, we must bear in mind that security—and I am speaking here of a sense of security—might be better served by abolition. Personally, I have a very strong suspicion that juries, knowing that the consequence of their decision is death, would recommend softer penalties in respect of cases which come before them and would therefore perhaps introduce back into society more quickly people who might constitute a real danger to public safety.

I do not wish to deal with that element for too long, but I think it is a very real aspect of the question we must consider. I am speaking, sir, of a sense of security in Canadian society. There is a difference, I believe, between real security, something that will in fact protect people in their homes, and a sense of security in the sense that they will be protected when they are in danger. I believe it is absolutely essential that society demonstrate that for murder and other serious crimes there is a heavy penalty which society will not fail to exact. I think it must be demonstrated that apprehension is close to certain, that conviction naturally follows, and that punishment as described in the law is the inevitable end result. If we are to create some respect for law, some reality of it, we can have no more half-measures, half enforced by a government of Canada.

I think it is clear to others that any further reluctance to demonstrate that crime and punishment are unavoidable companions will be fatal to the evolution, which I and others in this house hope will occur, away from state executions. I should say here, as an observation only, that if we are unable to make that demonstration, this question of capital punishment will be before us again whatever happens in the vote on this particular bill. Indeed, if it comes before us again in those circumstances, in the sense that society remains concerned, the votes of many members of parliament may well change, as some have changed already, because no guarantees have been given to ease the fears of Canadians to whom capital punishment has become a symbol of protection.

I think there is an onus on the abolitionists, particularly those who occupy the treasury benches, to meet the sense and the reality of insecurity in Canada. The Solicitor General (Mr. Allmand), for all his weak good will, has done little to accomplish that goal, in my judgment. As I said earlier these initiatives should have preceded this debate. Canadians have a right to some demonstration of

alternatives that work before they are deprived of an instrument which many Canadians believe or, more likely, hope will work. That is what we would like to have seen.

We have a bill before us now recommending a step of which I approve. We all have the obligation to deal with that particular bill. All of us, I think, as we work in parliament and live with law, recognize that there are limits to the effectiveness of laws, and all of us agree that it is foolish to write laws which we cannot enforce. I think it is wrong to write or to keep laws which do not do things people think they will do. I think that is particularly regrettable, and something we should avoid when that kind of law involves the official taking of human lives. For that reason, Mr. Speaker, my personal vote, which I emphasize will be a personal one, exercised as an individual member of parliament, will be to remove capital punishment.

Some hon. Members: Hear, hear!

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Hillsborough (Mr. Macquarrie)—External Affairs—Israel—Government view of action to establish communities in occupied Arab territory; the hon. member for Winnipeg South Centre (Mr. McKenzie)—Air Canada—Alleged intention to move finance branch from Winnipeg—Government action; the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall)—Manpower—Local Initiatives Program—Request for decision on extension of projects.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Benjamin: Mr. Speaker, I wonder whether the leader of the opposition (Mr. Clark), before he has completed his remarks, would accept a question?

Mr. Clark: Certainly, Mr. Speaker.

Mr. Benjamin: I want to say that I appreciated the speech the leader of the opposition just made. However, because I know that he least of all people would not want to be thought to be on both sides of any question, I should like to ask him this question: If he were prime minister and the law was for capital punishment, would he like to reconsider his earlier remarks and say whether or not he would bring in legislation to remove capital punishment from the statutes?

Mr. Clark: Mr. Speaker, I had hoped that too early in my career I would not have to resort to answering hypothetical questions. I have made it quite clear that as prime minister I would enforce capital punishment if that were the law of the land. I should also like to make it quite clear that important as this question is, I think the country faces other more urgent priorities which will be higher on the agenda of the government we form.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Turner): The hon. member for High Park-Humber Valley (Mr. Jelinek).

Mr. Benjamin: On a point of order—

The Acting Speaker (Mr. Turner): Order. I would suggest to the hon. member that if he would like to make a speech, I would add his name to the list, but right now the hon. member for High Park-Humber Valley has been recognized.

● (1650)

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, being a retentionist, it is difficult for me to follow our leader. I want to point out that I certainly appreciate his statement made so emphatically on this matter, which is to come to a free vote, as an individual member rather than as a leader. What is more important is that we must all appreciate the fact that our leader stated that regardless of the outcome of this vote, when he becomes the prime minister—which he will two years from now—

Some hon. Members: Hear, hear!

Mr. Jelinek: —unlike the present Prime Minister (Mr. Trudeau) whose time is running out—he will follow the wishes of the people and enforce the laws passed by this parliament, one way or the other. I see I only have a few minutes left, Mr. Speaker, but let me begin by saying that naturally we are all aware of the fact that a certain number of members have spoken on this bill on capital punishment, but there are great many more who still wish to speak. A sort of line score is being kept in this regard, and I suppose some pundits are also keeping score of the abolitionists and the retentionists.

We can deduce from these records that the government is in trouble on the issue of capital punishment, but of course that is understandable. The government seems to be in trouble all the time, and from one day to another it is simply a question of what the government is in trouble about on a given day of the week. This should not bother the government too much, because it only works and plans on a day to day basis or, at most, a week to week basis.

In any case, while the press has kept a pretty good score card on the members who have spoken, I believe they have missed the real point in this whole exercise. What is more important, particularly in this case dealing with such an emotional issue, is that the people of Canada have spoken more strongly than ever before. People are flooding their members' offices daily with demands for a return to the death penalty for the crime of murder. They are not only flooding the offices of Conservative members, or even uncommitted members, but they are calling and writing to all members of every party and applying persuasion. We have also seen a great number of polls on this subject, both on a regional and national basis, polls that were taken by retentionists, by abolitionists and by the uncommitted. Each and every one of these polls, whether they were taken in a riding or nationally, indicates emphatically that a great majority of Canadians—I believe it is over 80 per cent—demand the return to capital punishment, in opposition to the bill before us today.

The imperative question that one must ask oneself is whether or not an elected representative should vote on these important issues relating to law and order in accordance with the wishes of his constituents, or according to his conscience. It is understandable that in fiscal and monetary areas, where a member of parliament has available to him statistics and all other pertinent information relating to the issues at hand, he would be in a better position to judge the subject matter and therefore he could make a calculated decision based on the information available to him. However, if the issue is an emotional one—and certainly there is no more emotional issue than the one on capital punishment—then it is my strong belief that an elected representative should, and indeed must, vote in accordance with the wishes of his constituents. I, personally, cannot understand the attitude that certain members on both sides of the House are taking when they know that more than 80 per cent of their constituents favour capital punishment and yet they still insist on playing the role of the Almighty by voting against the wishes of the same people who gave them the power to vote in the first place.

On an issue of this type, an issue that is probably more emotional than any other, the government cannot afford to ignore the will of the people. No government has the right to ignore the voice of the people, especially when that voice is raised to the level that we hear on the issue of capital punishment. If this government chooses to ignore this call for action to combat the rise of violent crime in Canada today, I believe it will do so at its peril.

Judging from the tone of the vast majority of speeches in the House so far on this bill, the government seems to have boxed itself in with no visible avenues of escape. They have outsmarted themselves in the past ten years by abusing the cabinet's right to commute the death sentence, and they have chosen to ignore the law passed by the majority of members in the House, a law which prescribes the death penalty for convicted murderers of police officers and prison guards. This government, and particularly the Minister of Justice (Mr. Basford) and the Solicitor General (Mr. Allmand), has introduced its own law. They govern self-righteously by the rule of the conscience instead of the rules laid down by this parliament. Imagine all of us governing our lives by the rule of our conscience even when our own rules run counter to the law!

[Mr. Jelinek.]

Many times, when I have waited for a red light to turn to green, my rule of conscience would tell me to go through the red light, but because the law of the land forbids me to do so, I wait for the light to turn to green before I go forward. This is not what the cabinet has been doing for the last five years. We see the government breaking its own laws in other areas as well, not only capital punishment. It is breaking its own laws in respect of legal strikes and in respect of immigration. However, I shall not dwell on these subjects today.

Mr. Speaker, may I call it five o'clock?

The Acting Speaker (Mr. Turner): Order, please. It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions and public bills.

PRIVATE MEMBERS' NOTICES OF MOTIONS

[*English*]

The Acting Speaker (Mr. Turner): The first is motion No. 2 in the name of the hon. member for Hamilton West (Mr. Alexander). Shall that motion stand?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Turner): Shall motion No. 15, in the name of the hon. member for Hamilton-Wentworth (Mr. O'Sullivan), stand?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Turner): Shall motion No. 19, in the name of the hon. member for Laprairie (Mr. Watson), stand?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Turner): Shall motion No. 20, in the name of the right hon. member for Prince Albert (Mr. Diefenbaker), stand?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Turner): Shall motion No. 4, in the name of the former member for St. John's West (Mr. Carter) stand?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Turner): Shall motion No. 10, in the name of the hon. member for Red Deer (Mr. Towers), stand?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Turner): Shall motion No. 48, in the name of the hon. member for Wellington (Mr. Maine), stand?

Some hon. Members: Agreed.

Mr. Paproski: Mr. Speaker, I rise on a point of order. I believe there has been agreement to deal with item No. 25, a motion standing in the name of the hon. member for Okanagan-Kootenay (Mr. Johnston).

The Acting Speaker (Mr. Turner): If that is agreed, we will resume debate on the motion of the hon. member for Okanagan-Kootenay (Mr. Johnston).

* * *

AGRICULTURE

SUGGESTED GOVERNMENT INVESTIGATION OF SHORTAGE OF LIDS AND JARS USED IN HOME CANNING

The House resumed consideration of the motion of Mr. Johnston:

That in the opinion of this House, the government should investigate the severe shortage of lids and jars used in home canning of fruits and vegetables and should instigate measures to ensure that a sufficient supply will be available to the Canadian market next year.

Mrs. Iona Campagnolo (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the whims and rules of this House never cease to amaze me, for due to the length of this session the roulette-wheel of private members' bills has given the House the opportunity to debate once again the matter of canning lids. I see some hon. members smiling at the mention of canning lids, but I recognize that at least the hon. member for Okanagan-Kootenay (Mr. Johnston) is not smiling.

It seems rather strange that something so small should be a matter of national attention. It is a national issue, and this House is indebted to the hon. member for Okanagan-Kootenay for putting forward his motion, thus allowing hon. members to discuss the difficulty of obtaining home canning lids and what this has meant to thousands of concerned people across the country who seek the thriftiness and good health of home-processed foods. The motion which the hon. member has placed before us is that an investigation be carried out into the access in this country to home canning lids.

● (1700)

It is a rather interesting thing that of all the various calls we hear from the opposition for investigations into this and that, this particular one has been investigated very thoroughly and it has been very well documented. The intervening year has been one in which we have been able to discern exactly what the situation is with regard to the purchase of can lids, where the access is and what the problem is with that accessibility. The shortage of jar lids for use in home canning in Canada occurred as a result of a shortage of tin plate used in the manufacture of these lids, and this was compounded by an unprecedented consumer demand. This was instigated by fear, almost hysteria, that there was not going to be a sufficient supply available. However, a great effort was made. The shortage existed throughout North America, and consumers in western Canada, particularly in British Columbia, had difficulty in obtaining proper supplies.

Home Canning

Special difficulty was encountered in obtaining wider-mouth Mason lids. This is the size which traditionally is used by consumers in British Columbia. Although consumer demand for lids has been difficult to predict precisely, this year's demand, for instance, is a very heavy one, and the continuing trend toward an increase in home canning requires that there be sufficient lids available to people in this country.

A close watch has been kept on the American situation since part of the Canadian supply of lids is manufactured in the U.S., and the office of consumer affairs in Washington, D.C., reports that the U.S. situation is similar to that in Canada. Both Anchor Cap and Closure and Bernadin, the two Canadian manufacturers of the product, have produced to absolutely maximum capacity due, in part, to efforts made on their behalf by the Department of Industry, Trade and Commerce of this government. Furthermore, the former minister of consumer and corporate affairs took a very personal interest in this problem and made it possible for the two companies in Canada to receive incentive and encouragement to increase their production so that they could meet consumer demand. As a result of these contacts, the Canadian manufacturers installed additional machinery and personnel and were able, by working double and triple shifts on their production lines, finally to meet the public demand. Previous statements from these firms indicated that they would be able to meet consumer demand in western Canada as well as their traditional eastern markets. However, distribution was uneven and there were pockets of over supply in some parts of Canada, and in other areas shortages resulted.

In May of 1975, however, the Department of Consumer and Corporate Affairs began to receive conflicting information as to the availability of these supplies to distributors, retailers and consumers. In this connection, the department once again met with the two Canadian manufacturers a year ago to verify information which had been previously received on this situation. Both manufacturers produced to capacity, and these firms provided figures which indicated a substantial production increase over the previous year. In fact, the total supply for 1974 for Bernadin of Canada, for instance, was 17,087 cases which went to B.C. and in 1975 50,000 cases of Bernadin went to British Columbia. Anchor Cap and Closure, of Toronto, produced only 908 cases in 1974, and in 1975 there were 18,500 cases.

Mr. Paproski: Nothing in Alberta.

Mrs. Campagnolo: The hon. member for Edmonton Centre (Mr. Paproski) is very much interested in—

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Turner): Order, please. The parliamentary secretary has the floor.

Mrs. Campagnolo: I know how great the interest of people in Alberta is in being thrifty and eating well, and I find the objections of the hon. member well taken. The people in Alberta can look forward to a major supply this year.

Mr. Paproski: Hear, hear! It is about time.

Home Canning

Mrs. Campagnolo: In May of 1975, the Department of Consumer and Corporate Affairs found that there was an uneven distribution, and the department worked to see that this was made much more equitable across the country. However, even as the production was increased and made adequate to fill all the distributors' orders—one may assume that local distributors have a good indication of required supplies, in view of their close contacts with wholesalers and retailers in the local areas—the distributors' orders were based on sales requests from retailers.

Furthermore, in the case of Anchor Cap and Closure, the firm's first priority has been in filling orders from the glass-jar companies who market their jars complete with fittings, that is, the jar with the top in a total kit. The Department of Consumer and Corporate Affairs then again contacted the two major Canadian producers of glass preserving jars, Dominion Glass in Montreal and Consumer Glass in Toronto, and was told that Dominion Glass produced approximately 50 per cent more glass jars in 1975 than it did the previous year. It purchased lids from both Anchor and Bernadin, and the availability of these lids has been a limiting factor in the production increase for jars. Consumer Glass obtains lids from Anchor and took steps to catch up on its production schedule, which was delayed as a result of a 13-week strike in its plant at Lavington, B.C., in 1975.

An additional factor which has contributed to a shortage is brand loyalty, particularly in B.C. where consumers have traditionally used Kerr Products, and to a lesser degree, Ball wide-mouth fittings. Consumers are aware that lids made by different manufacturers are interchangeable, but generally remain, if at all possible, with their favourite brand name. The Department of Consumer and Corporate Affairs once again advertised to make sure that people were aware of the fact that they could use other types of jar fittings for their favourite types of jars, and advised that by following the instructions on the box they could be assured of excellent results because canning procedures vary sometimes with different brands.

The two American manufacturers of jars and jar fittings, Kerr Glass Manufacturing Corporation and Ball Corporation, have traditionally been major suppliers for the B.C. market. Representation was therefore made to these companies in June of 1975 for updated information as to supplies for British Columbia. The figures from Kerr Glass indicated a 27.5 per cent increase in supplies over 1974 with heavier shipments of lids in the wide-mouth size. It is estimated that Kerr had traditionally supplied approximately 70 per cent of the B.C. market prior to 1974. Figures provided by the Ball Corporation indicated that there was approximately a 34 per cent increase in supplies to B.C. in that year. Production and distribution of fittings by all manufacturers continued throughout last year's canning season. Supplies were shipped to various regions of Canada, and as they came off the production line many of them headed for British Columbia. This ensured to the maximum extent possible a continuity of supply which built up to a peak at the height of the canning season.

Jar lids and jar finishes—mouths—are manufactured in four sizes: 63 millimetres; 70 millimetres, which is standard; 78 millimetres and 86 millimetres, which is the wide-mouth size and which is generally favoured by canners across Canada. The figures show that more lids were shipped to British Columbia than to any other part of Canada in that year. As I told hon. members, there are two domestic suppliers in Canada, Bernadin of Toronto and Anchor Cap and Closure Limited, also of that city. From the United States there are supplies from Kerr Glass Manufacturing Company, of Oklahoma, and the Ball Corporation of Indiana. There are two companies in Taiwan which in the past have supplied our market as well, until last year when a major supermarket had to recall one of the Taiwan brands due to imperfections in its manufacture which might possibly have led to botulism if used. However, the other brand is perfectly suitable for use and it continues on the North American market at this time.

The problem is one of distribution rather than supply, and I should like once again to commend the hon. member for Okanagan-Kootenay for bringing this to our attention. I know that in my own area canning is not a forgotten art. It has not given way to the freezer. Naturally, coming from northern British Columbia I know that the product which is canned most often is the seafood of the west coast—salmon. In Canada there are many difficulties in canning salmon. Proper fittings on jars are imperative so that there will not be any possibility of botulism resulting. I think we can safely say that this has been investigated to a large degree and that the facts and figures are before us and are irrefutable. In my area I was perplexed to see in a small store in Iskut, on the Stewart-Cassiar highway, a huge supply of current, wide-mouth Mason jar lids. The store manager said there must have been some kind of mistake because the lids had arrived almost unbidden. He had only wanted one or two cases, but had received many more. Fortunately it was possible to arrange for them to go where they could be better utilized.

● (1710)

While those around me are laughing at the possibility of being involved nationally with canning lids, I would remind them that it is not amusing when people in Canada strive to make good use of the fruit and vegetables they grow. Where the hon. member makes his home, he has access to all sorts of fruit and vegetables and this is the kind of thing our society is going to have to spend more time on. If the hon. Minister of Agriculture (Mr. Whelan) is going to be able to get prices high enough for farmers, we are going to have to do some of the work ourselves.

I suggest the canning industry is not going to be able to keep up unless they have a full supply of lids. The manufacturers of jar lids are to be commended for rising to the occasion and making certain that people have access to the products they want. Our Canadian ingenuity is such that we should be able to manufacture Canadian products and not have to look for them abroad in sufficient quantity to supply our own people.

I appreciate this motion very much and look forward to seeing no hazard in this year's canning season as we approach it. I think we begin somewhat earlier on the northwest coast of British Columbia. We are almost into the canning season now, and I have not had one letter of complaint from any constituent saying that not enough lids are available. I believe I can safely say there are sufficient lids to meet the demand at this time. We look forward to a canning season that will have sufficient

supply, and I thank the hon. member opposite for bringing this particular problem to our attention.

Some hon. Members: Hear, hear!

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, I, too, would like to express my thanks to the hon. member for Okanagan-Kootenay (Mr. Johnston) for bringing this matter before the House in the form of the motion that stands in his name. We will remember that this matter was raised on many occasions in the past year, but in spite of all the assurances we had to the contrary there are still shortages, and shortages are anticipated for the coming canning season.

The problem of severe shortages of wide-mouth Mason jar lids seems to be a continuing one, at least as far as western Canada is concerned. Every winter and spring for the past few years we have had members rising in the House asking the government to take measures to ensure an adequate supply of these materials for home canning purposes. Unfortunately, the result is usually the same. Members voice their concern about shortages and warn the government about the critical situation. The government responds by assuring the House that everything is under control, that manufacturers are stepping up production and there will be no shortages. Then summer comes, the canning season begins, and lids are nowhere to be found.

It is expected that we will face the same situation this year. On January 30 my colleague, the hon. member for Okanagan-Kootenay, asked the former minister of consumer and corporate affairs what steps the government was taking to monitor supplies for this summer in order to reassure consumers in British Columbia who wanted to can their own produce. In true form, the minister stated the same thing that we have been hearing for the last several years. As reported at page 10480 of *Hansard*, he said:

> Mr. Speaker, the latest information I received from the officials of my department was that two Canadian manufacturers have increased their production of canning jar lids. On the other hand, I am informed that two American companies which supply more particularly the provinces of Alberta and British Columbia have also stepped up production. Moreover, one importer in British Columbia has already found on the foreign market canning jar lids which he intends to import to meet the demand during the current year.

The same assurance has been given to us today by the parliamentary secretary. Once again we have the record of the assurances of the government that there is not going to be any problem and there will be a supply for this coming season. The facts are that summer is here and there is once again a shortage of wide-mouth Mason jar lids, so that answers the minister's promises. I cannot help but wonder about the competence of the investigation allegedly carried out by the minister's officials in the Department of Consumer and Corporate Affairs.

I have already received some representation from my constituency about shortages, and we are only starting to get into the canning season in British Columbia. What will be the situation in two months' time? I have contacted a number of outlets in the major population centres of my constituency, and this is what I find, Mr. Speaker: three of the stores surveyed did not have any Mason jar lids and claimed they could not get them; three other stores claimed they had a limited supply or lids at the present time, but only one of the three claimed that they were sure of future supplies.

This last store manager stated that he was unable to obtain the No. 3 size lids—the "gem" size that replaces glass lids for Mason jars. Another large store in my home town had the largest supply when I took the survey. The manager had 75 cases on hand, but he stated he had an unofficial limit of one case per month when ordering. The manager of a store in a small city in my constituency stated he had none in stock, and although he orders them every week, he rarely gets them. Sometimes he is able to get one case a month, but the supply is uncertain, to say the least.

I could give a list of other stores contacted, but in the majority of cases it was the same store. I compiled a list, and under the heading "Available stock" the note against the list of stores reads: none; good; none; very poor; fair supply; good; and none. Under the heading "Future possibility" are the notations: same problem as last year; poor prospect; good; poor; same as last year, poor; okay; looks all right; poor. That indicates the number of contacts I was able to make in my constituency.

The parliamentary secretary mentioned the problem of imported lids. One of those she referred to was apparently recalled according to a store in my constituency. I might say they were somewhat different. One shipment of lids came from Japan, but the other one came from Taiwan. At any rate, he was reluctant to purchase those lids because some had been found defective in that they would not seal properly. Some were sold. After tests had been run on them, it was decided to recall them. I got in touch with the manager of one of the stores, who said that it was not worth the risk to order these Metro lids, even though he could obtain as many as he wanted. That will show hon. members the difficulties with which we have been confronted in making inquiries about these lids.

● (1720)

On January 30, my colleague, the hon. member for Okanagan-Kootenay, also asked the minister about the inferior quality of some lids on the market at that time. Since the minister, in his reply to my colleague's first question, referred to the importation of lids, I wonder if the recently appointed Minister of Consumer and Corporate Affairs (Mr. Mackasey) has been able to acquaint himself with these matters; because, surely, defective Mason jar lids on the Canadian market give rise not only to the problem of food preservation but, as well, to the more important hazard of food poisoning which can occur when the seal breaks and bacteria spoils food.

Perhaps I might intimate the results of a survey recently conducted by my colleague from Okanagan-Kootenay in the north Okanagan. For example, in the city of Vernon a large supermarket reported that it had no lids at all in stock; they were on order, but there was no guarantee of shipment. A large supermarket in Salmon Arm reported that it had some Taiwan lids in stock, that a shortage of lids is expected, that no Canadian lids were available and that a standing order has been placed for them. In Armstrong, a few were available but the people there were not sure of future supplies. In Endersby, no shortage is expect-

ed. In Revelstoke, a shortage is expected and orders are filled slowly. So it goes, Mr. Speaker.

The parliamentary secretary stated that there appears to be an adequate supply in British Columbia. I suggest, with respect, that surveys taken in my constituency and in the constituency of Okanagan-Kootenay indicate the contrary.

The canning season is about to begin. Before it actually opens, I ask the Minister of Consumer and Corporate Affairs, and the Minister of Industry, Trade and Commerce (Mr. Jamieson), who I believe has some interest in this matter as well to make every effort to ensure that there is a sufficiency of these lids for canners in British Columbia particularly and for those in other areas as well. I am sure hon. members appreciate that because many people wish to do their own canning, prefer home-canned goods, and because of inflationary pressures, a great many additional people are taking up home canning, thereby making ends meet and stretching incomes. That is why we are making our request. The parliamentary secretary suggested that the government is fully conversant with the situation and that supplies are adequate. I say, with respect, that supplies are not adequate and that every effort must be made to ensure there is an adequate distribution of lids. Above all, adequate supplies should be available for meeting the needs of the new canning season.

Mr. Jack Pearsall (Coast Chilcotin): Mr. Speaker, I enter the debate this afternoon somewhat reluctantly.

Mr. Hnatyshyn: The hon. member is far too modest.

Mr. Pearsall: I have had considerable dealings with the hon. member for Okanagan-Kootenay (Mr. Johnston) and have worked with him on many committees. I respect his position, regret I cannot go all the way with him, but say that I am prepared to support most of the things he said.

Mr. Friesen: That sounds like a true Liberal.

Mr. Pearsall: In response to the suggestion that the government should investigate the shortage of lids and jars used in home canning, the government has investigated these alleged shortages and will continue to do so. Today I wish to clarify one point raised by the hon. member for Okanagan-Kootenay: there is no shortage of canning jars. Let me make that clear.

Mr. Benjamin: Do you want to bet?

Mr. Pearsall: There is a shortage of lids. Perhaps the hon. member for Regina-Lake Centre (Mr. Benjamin) has run out of glass. Seriously, I say to that hon. member, and to the hon. member for Surrey-White Rock (Mr. Friesen), there is a shortage of lids, a shortage about which I shall talk. The past three years have witnessed a tremendous growth of consumer interest in home food preservation due to the rising costs of food products on retail shelves and the changing lifestyle of many Canadians who recognize the importance of our becoming a conserving society.

Mr. Speaker, this increase in home canning has resulted in unprecedented consumer demand throughout North America for canning jar lids. Since 1974, consumers in Canada, particularly in British Columbia, have encountered difficulties in obtaining adequate supplies to meet their demands. The hon. member for Skeena (Mrs. Campagnolo) dealt with this matter when she spoke. Most members, particularly those from British Columbia, know of the special difficulties in obtaining wide-mouth lids of the kind generally used by most consumers in British Columbia. Compounding the problem has been hoarding and unnecessary panic buying of lids by consumers in anticipation of future need. This has been happening for about the last two years. I am sure most hon. members can tell this House of people who entered a store to buy wide-mouth lids and bought the entire stock of lids. This sort of thing has created tremendous difficulties. The shortage was created in part by panic buying.

The hon. member for Fraser Valley East (Mr. Patterson) spoke of lids imported from Taiwan. I want to put on record some facts about those particular closure discs, as they are known, with the hope that these facts will become known to people across Canada. When we encountered shortages one year or so ago, some importers imported these discs from Taiwan. It became apparent after some discs were tested that when used in the conventional home canning process they failed to seal correctly. One particular disc imported from Taiwan, known as the Rosewood disc, was suspected of being faulty. This brand was distributed only by Safeway Limited in British Columbia. Sales of Rosewood discs had been stopped by Safeway themselves. The company is recalling these products from the market. I ask my colleagues from British Columbia, and others who are concerned, to please make sure that these discs are returned to Safeway. They are faulty and should not be used under any condition. Accordingly, arrangements have been made to obtain samples of all closure discs offered for sale in Canada. Testing is being performed in co-operation with the agriculture Canada-food advisory services.

It is recognized that faulty closure discs, particularly when used by home canners to preserve non-acidic vegetables such as carrots, beets and beans, present a real possibility of botulism poisoning. I wanted to bring that point up, Mr. Speaker, because I am sure all hon. members would wish to be aware of the canning products we turn out in British Columbia. The whole province grows a variety of fruits and vegetables, and home canning is one thing we all do.

● (1730)

Until this year, as has been mentioned previously, we have run into the problem of the tremendous growth of consumer interest in home food preservation. The special difficulty we have experienced, as I mentioned earlier, is in connection with the wide-mouth jar lids. Until this year there were only four companies supplying the Canadian market. They have been mentioned previously. There was the Anchor Cap and Closure company, Bernardin of Canada, and two American companies, Kerr Glass and Ball Corporation, both of which have been major suppliers, particularly to the British Columbia market. Figures provided by these four firms to the Department of Consumer and Corporate Affairs have shown significant annual production increases. But even the vastly increased supply in 1975 did not meet the consumer demand which continued to rise to unpredictable levels.

Since the federal government became aware of this problem a number of measures have been instigated with a view to alleviating and ultimately eliminating the shortage. I sympathize with the hon. member for Fraser Valley East (Mr. Patterson) in his concern. I want to go on to mention another thing which I think should be known. The Department of Consumer and Corporate Affairs has maintained liaison with its counterpart in the United States, the Office of Consumer Affairs in Washington, since a portion of the Canadian lid supply is manufactured in the U.S.A. and the shortage of lids in the United States has followed a similar pattern to that of Canada. The U.S. government reports that the supply for its country in 1976 will be more than four billion replacement lids; I repeat, more than four billion replacement lids.

I do not wish to place a lot of detail on the record, but I do feel that one or two facts should be brought to the attention of all hon. members here this afternoon. The availability of canning lids in 1976 will depend greatly on the continued output which I have just mentioned, and this is something which is fairly dependable. It will depend also upon the activities of the consumer public, something which we cannot forecast with a high degree of certainty. However, the federal government will continue to be actively involved as a watchdog over supplies of lids available to Canadian families who wish to protect themselves from the adverse effects of rising food prices by engaging in home canning.

I will take my seat at this point as I know there are other members who wish to contribute to this important discussion on home canning made possible this afternoon by the hon. member for Okanagan-Kootenay Boundary (Mr. Johnston).

Mr. Benno Friesen (Surrey-White Rock): Thank you, Mr. Speaker, for the opportunity to take part in this debate. I notice that the Parliamentary Secretary to the Minister of Consumer and Corporate Affairs (Mr. Lee) is not here and had graciously passed on his notes to the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mrs. Campagnolo). And I suppose they came originally from the deputy minister or one of his aides. That very effectively put the lid on the usual—

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): Another of those wide mouths.

Mr. Friesen: It put the lid on the usual gust or cacophanous images and twisted metaphors which come from that parliamentary secretary. But I must admit she is a good reader. She reads bureaucratic language very well. She doesn't even need stage direction. I appreciate all the statistics she left with us and the running account of the work of the Department of Consumer and Corporate Affairs. But the situation is reminiscent of another, a few years ago, when there was an extreme shortage of jeans in the country. It was almost impossible to buy certain brands of jeans. Until the companies presumably felt justified in raising the price of jeans high enough to allow them to make a handsome profit, the shortage continued. This makes one suspect that the shortages experienced in supplies of isolated commodities are contrived rather than real.

The hon. lady's speech was long on statistics but very short on answers. She did say there had been a shortage of tin plate—this is supposed to excuse the companies for failure to produce these jar lids. But she never explained the reason for that shortage. Could it be that there was a better profit to be made by the steel companies or the suppliers? Or could it be that a better profit could be made by manufacturing products other than jar lids? This was something the hon. lady did not explain. Maybe the deputy minister did not write that out for her.

Mr. Anderson: So you want us to interfere with the economy now?

Mr. Friesen: There are members on that side who would love to have a planned economy and, if this an example of it, Heaven forbid we should ever have an economy which is totally planned.

The parliamentary secretary told us that one of the companies was supplying lids but felt obliged to supply them first to the companies making jars so that all the jars would come complete with lids. That seems reasonable. But is the responsibility of the lid companies to the jar companies first, or is it to the consumers? There are thousands of Canadian consumers who have a good supply of jars but who are looking for lids. Yet that lid company felt its first obligation was to the other companies, those making jars. And it seems to me that the Department of Consumer Affairs is not arranging its priorities correctly.

Mr. Anderson: So you would advocate more government interference?

Mr. Friesen: Well, hon. members have heard that wonderful explosion coming from the hon. member for Comox-Alberni (Mr. Anderson) about government interference. I could give some wonderful examples of that, if he wants a catalogue.

Mr. Anderson: First you say we should do it, and then you say we should not. Make up your mind.

Mr. Friesen: That sounds like a Liberal. Looks like an old Edsel. You don't know which way it's going.

It seems to me that if there is no shortage, as the parliamentary secretary assures us is the situation, that the retailers know something the minister does not know about. I go to the local store and I see signs in the window—written on cardboard—"There is no shortage here of wide-mouthed Mason jar lids, now." Mr. Speaker, if there is no shortage, the consumer doesn't know about it, because the retailer has to advertise the fact.

I go out to Bells Corners and I see a 5-acre plot, subdivided into plots just a few square yards, and rented out to local home-owners. Then I go over to the area in which I live, I drive through Richmond and I see a 10-acre plot beside the freeway whose owner is doing the same thing—renting out small garden plots to home-owners. Practically every one of those plots has been rented out. It is evident that home-owners are trying to beat inflation, while at the same time enjoying home-grown products which they probably prefer.

Home Canning

Consumers are trying to save by raising their own garden products and doing their own canning in readiness for the winter months. At the same time the government, which has manufactured inflation, is failing to protect the consumer from another angle. I hear the hon. member for Comox-Alberni (Mr. Anderson) saying that you cannot have it both ways, but there is one thing that we would like to have, and that is an opportunity for the consumer to save a few bucks.

● (1740)

It gives me no assurance to hear the parliamentary secretary read out a statement from the bureaucracy saying that everything will be hunky-dory because they have gone hat in hand to all these companies and said, "Please give us a polite explanation of why there is a shortage". Any explanation that these companies gave to the minister was said to be a good one and we are now supposed to be encouraged. That is not enough. We can anticipate another shortage this year. As hon. members from British Columbia have already indicated, British Columbia suffers more than any other province from this particular shortage. There is going to be a shortage again this summer despite the assurances of the hon. member for Skeena.

I want to pay tribute to the hon. member for Okanagan-Kootenay (Mr. Johnston) for giving us this opportunity to debate the issue and to bring it to the conscience of the government. If it did not know before it certainly knows now that once more this problem is an impending one for consumers this summer.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I want to say only a few words on the motion of the hon. member for Okanagan-Kootenay (Mr. Johnston). I am very happy that he has moved it. It is three years since I ran into complaints from my constituents, including my own wife, about the unavailability of materials for home canning, and the problem has become more severe in the last two years with the rising cost of living. People are trying to can the products of their own gardens, or they go to a farmers' market on a Saturday and take home a car trunk load of vegetables and fruit to can.

I myself have noticed, on going both to the co-operative supermarket and to three private enterprise supermarkets in my city, that on a given Saturday you can get one part of what you require for home canning but not the other two parts. I am speaking here of the old-fashioned pint, quart, two quart sealers. I do not know whether the hon. member for Skeena (Mrs. Campagnolo) has ever done any home canning but I am sure her mother has. These old-fashioned sealers require three components—a rubber ring, a glass top, and a metal screw top. You could get the rubber ring one week but not the glass top. Or you get the glass top but not the metal screw top and rubber ring. This sort of thing has gone on for the past three years.

I particularly welcome the hon. member's motion because I think that some inquiries should be made not only as to the supply and distribution of these particular items but also as to who manufactures and owns them. I do not want to sound paranoid about this, but I have the feeling that the canners of fruits and vegetables are not particularly happy about housewives and families canning their own fruit and vegetables. They would rather housewives bought the canned goods which they produce. But judging from the way the price of these canned goods has risen in the last two years, more and more families will want to put their own fruit and vegetables in their own glass jars.

I listened to the hon. member for Skeena recite statistics, which I hope were not written out for her by the deputy minister of her department but were obtained by herself. As one hon. member said earlier, she read them well; but if she had composed them all by herself she would not have had to read them. If I heard her properly, she said something about increased production of 17,000 cases of one kind of tops and 18,000 of another kind. I think that those figures are reasonably close, but that would make 35,000 cases in all. That would satisfy perhaps 35,000 families, but there are hundreds of thousands of families in this country who want to can their own fruits and vegetables.

This stuff that the hon. member for Skeena read off is just not good enough. There is not an adequate supply either of the modern glass jar tops, to which I am sure the hon. member for Okanagan-Kootenay is referring, or sufficient supply in some parts of the country of the old-fashioned half pint, pint, quart and two quart sealers. Although you can get one part, you cannot get the other two. Supply varies from one store to the next and from one city to the next. If a housewife wants to spend a day or two canning products from her own garden, it means she may have to go to a dozen stores in order to find the three components that are required.

The hon. member for Skeena can read off all those figures that were sent over to her all she likes, but the fact of the matter is that hundreds of thousands of families over the last three years have been unable to buy components for home canning. Whether or not this motion passes, I hope that the hon. member for Skeena will get the Minister of Consumer and Corporate Affairs (Mr. Mackasey) and the combines investigation branch to determine who owns the canning industry and the manufacturing plant that produces these components that are required for home canning. They ought to determine what happens among the food chains in terms of carrying supplies of these rubber rings, glass tops, and metal screw tops. Let them find out how much they are into this and how much they are not. I am sure that hundreds of thousands of housewives all over the country would be happy to hear more than this House has been told this afternoon.

For years, Mr. Speaker, people have been making efforts to provide for themselves out of their own gardens and their neighbour's gardens. Our great-grandmothers, grandmothers, and mothers canned, and now our wives are doing their own canning. But the necessary supplies are not available. I hope the hon. member for Skeena tries to make some last gasp efforts to save what she, her colleagues, and my friends to my right claim is this great, foolproof system known as free enterprise, a system that relies upon competition and so on for the good of Canadian consumers. This is just not happening, Mr. Speaker.

This may not be a great national issue but it does affect hundreds of thousands of families for many weeks of the year. Yet all we can get from the hon. member for Skeena are some statistics. I am quite certain they are accurate,

but all that these statistics mean is that the production of components required for home canning is about one tenth, to put it modestly, of the amount that is required.

I hope that the House will approve this motion and that the government will look at this matter more closely than it has in the past. I also hope it will inquire as to the possibility of additional production in this country instead of relying on the excuses that the hon. member for Skeena gave regarding U.S. manufacturers. That is not good enough either. As I say, I hope the motion will pass and that the government will take a much more serious look at this question than has been the case so far.

Mr. Hugh A. Anderson (Comox-Alberni): Mr. Speaker, I also would like to congratulate the hon. member for Okanagan-Kootenay (Mr. Johnston) on his motion. I know that for a considerable amount of time he has pursued this question of the shortage of rings in Canada. The explanation that I received when I first came to Ottawa in the latter part of 1974 was that there was a shortage of material for the lids.

The hon. member for Surrey-White Rock (Mr. Friesen) questioned where this shortage arose. Nevertheless I accept the fact that a shortage did occur, as a shortage has occurred of many items during the same period. I am somewhat surprised that the hon. member for Surrey-White Rock should criticize the government for not taking an active role in controlling this industry. This to me seems to be applying a double standard. Many times in the House and over the media I hear it said that the government interferes too much in the business community, yet if something goes wrong in the business community it is said that we are wrong because we have not passed certain regulations, or carried out inspections or, in other words looked into the distribution of products to the Canadian consumer.

● (1750)

I was very happy to be informed by the Department of Industry, Trade and Commerce that there are three new outfits in Canada that will be in the business of producing rings. Rockwell International has apparently established an operation in Ontario and will be producing a stainless steel ring. This ring will apparently be reuseable, which I think is an excellent idea because all of us know that rings up to this time have had to be replaced after one use. If we had one that was reuseable perhaps this would be one method of solving the problem, since they will not have to be thrown away and can be used on a year to year basis.

I understand also that Kraft Foods is going to get into the production of lids, and this should also help the situation. There is apparently a company in British Columbia called CFB Trading which will be importing lids from New Zealand. If this takes place this year, this again should give us a better situation in respect of lids, because these will be in addition to the lids produced here in Canada and in the United States.

It would appear that several things have happened in the last few years. One is that many people have rediscovered the joy of working with the soil. I suppose people have decided, because of city life with its concrete, steel, etc., that they want to work with the soil. This is in addition to the fact that they can save money. They take pleasure in being out in the open air, and so forth.

This is not something unique in Canada, but is something that has occurred in the United States and perhaps in other parts of the world. As a result there has been an unprecedented demand for these lids. The same occurrence in demand all of a sudden has taken place in the United States within the last few years, and some of the lids that were produced in the United States were diverted in 1974-75 to that U.S. market.

It seems to me that in the type of society we live in, surely if there is a demand for lids, or other goods, this creates an unprecedented opportunity for Canadian companies to manufacture those lids or goods. Quite honestly I feel that rather than trying to become involved in discovering the causes of what has gone wrong, new companies should come in and manufacture the lids. When a shortage is noticed and these companies such as Kerr Glass, Bernadine, Anchor and Ball cannot supply the demand, this gives an opportunity for new entrepreneurs to enter the market and provide a product that will be used by the Canadian consumer.

It is my understanding that the problem of understimating demand, coupled with the problem of distribution which occurred in 1974-75, has caused distortions. However, in 1976 there will be approximately one million cases produced in Canada and in the United States which will come into the Canadian market, as opposed to approximately 530,000 cases in 1975. If that is in fact the case we will be doubling production and doubling the number of lids available. I am sure that, like the hon. member for Regina-Lake Centre (Mr. Benjamin), my wife will also give me a much easier time, because I can assure the House that in 1974-75 my wife had me shopping in Ottawa for rings to be sent to British Columbia because they were unavailable there.

I hope that with the new manufacturers entering the market, and with the importation of rings or lids, this will reduce the number of people in Canada who will be without this product. I hope that in this day and age a problem in respect of a simple thing like a jar lid can be solved by Canadian industry without government intercession. I believe this can be the case. Certainly the people in the Departments of Consumer and Corporate Affairs and Industry, Trade and Commerce will be monitoring the situation, but I do not believe they should enter into this.

I trust that the comments regarding the hon. member for Skeena (Mrs. Campagnolo) will be taken in jest. We all have research facilities on both sides of the House. We ourselves use those facilities and I would suggest other hon. members also use their own facilities. I think it was a rather narrow and petty tirade against the hon. member because she did quote statistics. She did have the facts at hand, and surely debate to be meaningful in this House must include statistics, facts, and figures.

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I listened with great interest to the remarks of those western members of parliament, mainly from British Columbia. I think a few remarks from someone in the east representing a constituency in the small province of

Ontario, where presumably there could be some views, would be in order.

I listened with great interest to the last speaker, the hon. member for Comox-Alberni (Mr. Anderson), who referred in his remarks to the Rockwell International firm in Ontario. It is a coincidence that on June 3 I received a telephone call from the manager of the Rockwell International plant situated in the great riding of Parry Sound-Muskoka in the town of Bracebridge. Mr. Gerry Morrows of that plant phoned to see if any offices of a member of parliament could be used to assist that firm in getting into the manufacture of a component part for these sealers. He stated they were starting production and tooling up for these components. He said they had to get into production immediately. He informed me they have orders at the present time from A & P, and Dominion Stores of Toronto for these parts, and that Home Hardware was also interested.

Mr. Morrows told me that the component they intended to make would be of stainless steel, grade 302. They will be 6/1,000ths thick, so they will be relatively thin. In order to produce these components they must get this steel. They have orders for seven million parts. They have contacted Atlas Steel in Welland, which is not able to supply the requirement. As a result the company will have to go the United States and purchase from a firm in Pittsburgh.

What the company is hoping is that the Department of Finance will be able to provide some relief by a remission of the duty on this particular steel, allowing it in so that these parts can be manufactured in Canada rather than imported from the States. We heard statistics earlier about the number brought in from the United States last year. I am wondering whether those members on the government side who have some influence with the Department of Finance will use their good offices to see that this necessary steel is brought into Canada duty-free, or at least that there is a remission of the duty once it is allowed in. I understand they are going to—

Mr. Deputy Speaker: Order, please. It being six o'clock, the hour appointed for the consideration of private members' business has expired. I do now leave the chair until eight o'clock tonight.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, before the evening break I had hardly begun my speech on capital punishment. However, I did point out that the cabinet, and certainly members of parliament who are abolitionists, do not seem to want to listen to the public opinion of the large majority of the Canadian population. I also raised the question of whether a member of parliament should vote in accordance with his conscience or that of his constituents. It is my very strong opinion that on an emotional issue such as capital punishment, as opposed to, let us say a fiscal or monetary issue, where pertinent information and data are at the fingertips of the member of parliament rather than at the fingertips of his constituents, the member should and must vote in accordance with the wishes of his constituents.

Then I pointed out what every other retentionist before me would have pointed out, which is that the government has not abided by the law of the land, specifically the law as it relates to capital punishment or other issues such as illegal strikes, immigration, and so on. For a number of years we saw what can happen when people in any society decide to live according to their own laws, as the government seems to be doing, scorning the laws laid down by their peers to ensure peace and order in our society. Some of these people were called hippies, and yippies and other assorted titles. The plain fact is that they are misfits, unable to cope with reality, and unwilling to conform to even the minimum standards of normal social behaviour. They will probably never realize that they have in fact proven the point that we have tried to make.

Laws and standards are necessary, and in fact vital to the survival of any society, and all peoples' actions and conduct must not only serve their own individual purposes but must also serve the collective needs of their society. Those people who follow the advice of the Prime Minister (Mr. Trudeau) and concentrate on doing their own thing become a drag on society, leeches who take all they can get and give as little as they can.

The advantage that is being taken of the unemployment insurance commission fund is just one example. We can be thankful, Mr. Speaker, that the number of people who think and act in this way is still relatively small, and that the majority of Canadian people want to provide for themselves, and also to contribute to their society. The problem is, however, that the federal cabinet has chosen to do its own thing over the years with respect to capital punishment, and we have seen what the result has been.

People are writing and asking what is wrong with the cabinet in Ottawa. They write not only to cabinet ministers but to members on either side of the House. They ask why the cabinet continually commutes all death sentences imposed by our courts according to the law of the land, even where there are no recommendations for mercy. People write and demand the resignations of the Solicitor General (Mr. Allmand) and of the Minister of Justice (Mr. Basford) to make room for ministers who will live up to the laws of the land.

The public begs and pleads but the Prime Minister, and therefore his cabinet, simply do not listen nor care. What kind of security and protection does the public have when the Prime Minister and his fawning sycophants, who dare call themselves the cabinet, simply continue to ignore the public at large? What kind of security and protection do we have when this self-imposed dictator, along with his band of followers, continues to break the laws of the land? There is no protection in a law that the federal government ignores, Mr. Speaker. There is no protection in a law that the Solicitor General vows publicly that he will not obey, and there is no protection in a law that even the murderers know will never be applied as long as the present Minister of Justice and Solicitor General retain their cabinet posts.

The Solicitor General knew that the House had approved the law calling for the death penalty, on conviction for the murder of a policeman or prison guard, when he accepted his cabinet post, and so he accepted that high office with false credentials. He knew at the outset that he would not obey the laws that he swore to uphold as a condition of his office.

It is unthinkable and unacceptable to me and to others, Mr. Speaker, that a member of this House would accept a cabinet post, swear an oath to uphold the laws of our country, and then say out the other side of his mouth that he would resign if his cabinet colleagues forced him to carry out the laws of Canada respecting the application of the death penalty for capital murder.

His cabinet colleagues should have told the minister at that time that if he wanted the power and the prestige and the financial advantage of cabinet rank, then he should be prepared to accept the responsibilities that go with the rank, and follow the laws as set forth by parliament. In that respect, Mr. Speaker, on July 2, 1975, I rose in this House and moved a motion under Standing Order 43 in which I called upon the Solicitor General to resign from the cabinet and make way for a minister who would respect the laws as laid down by this parliament, and follow them accordingly. Of course there were the usual Liberal dissenters who do not attach any real importance to discussions on topics of interest to our people. I was not able to have the House adjourn to debate the question, but the question is under debate at this moment.

Member after member has asked for the minister's resignation, and it looks as though the only way we will get rid of him is for the Prime Minister to listen to the voices of the people and fire him. But we already know that the Prime Minister does not listen to any voice, and therefore such a proposition immediately becomes a hopeless one. But the weight of public opinion continues to be against the position being maintained by the government with respect to capital punishment. There cannot be the slightest doubt on that score.

This brings to mind another motion I moved in this House last year. Taking into account the intense feeling of the people of Canada, as evidenced by the tone of majority comment on this subject, this would be an appropriate time to repeat the words in my motion of June 9, 1975. I rose and moved, "That this Parliament instruct the Prime Minister to initiate a national referendum with regard to capital punishment." I pointed out that the government was obviously incapable of coping with the emotional issue of capital punishment, and I suggested that the government was in fact asking the Canadian people to accept the present alarming rate of increase in violent crime as a way of life.

● (2010)

If we, as the elected representatives of all of the people, cannot come up with a reasonable solution in accordance with the wishes of the great majority of Canadians then there is no other way that this issue can be settled to the satisfaction of the people, and in the interests of peace and security, except by allowing the people of Canada to vote on the issue in a national referendum.

If the government cannot allow itself to be bound by the will of parliament, and if it cannot bring itself to the point of tabling legislation that it will abide by, then it should dissolve parliament, call a national general election, and place capital punishment on the ballot. We simply cannot continue year after year in a legislative vacuum where capital punishment is concerned. It cannot be kicked around year after year on an ad hoc basis as though it were a football, while violent crime continues to rise.

Many of my colleagues in this House have quoted statistics to support their cases, Mr. Speaker, both for and against capital punishment, and for myself I choose to believe that the statistics on violent crime in Canada since the cabinet effectively abolished the death penalty by commutation speak for themselves and point out the need for severe remedies. There are presently a number of murderers awaiting the death penalty.

One of these cases has been carried over from 1972, two from 1973, and two from 1974. Four have been carried over from 1975, and yet another involves a conviction on February 10 of this year. Eight of these people were convicted of murdering police officers, and two were convicted of murdering police officials. I am not even talking about the scores of murderers who have committed brutal crimes that did not fall into the category of murder of policemen and prison guards. According to the law as it stands today, these people were convicted of capital murder, and capital murder calls for the death penalty. I have no doubt that, even if this bill fails to pass and we have to fall back on the existing law, none of the people presently awaiting execution will in fact be executed. In fact in time they will be allowed to roam our streets at random only to commit crimes again and again, as has happened in the past.

I need only to mention Charles Manson as one example who will be released shortly, after having committed a multiple number of horrendous crimes, and in fact is threatening to continue to do likewise upon his release. But we do not have to single out Charles Manson alone—we have our own variety of Charles Mansons in Canada.

I have mentioned in my previous speeches on this subject that many people complain that capital punishment is cruel and inhumane punishment. Even if I accept that as valid, Mr. Speaker, I have to counter with the charge that it is far more cruel and inhumane for a person to roam the streets preying on innocent and helpless citizens. It is far more cruel to seek out a man or woman, or a small child, and murder that person for a few dollars, for sexual desires, or simply for kicks. What is more cruel than to lure a small girl, not even in her teens, away from home or

school, molest her sexually, and then murder her horribly and viciously? When I hear someone who really should know better pleading for the life of such a murderer, I wonder what our society is coming to.

If the manner of carrying out executions stands in the way of getting a consensus on retaining capital punishment, and if there are people who are abolitionists because they feel that hanging is cruel and inhumane, then let us examine the question of the means of carrying out the death penalty. If it is the means and not the death penalty itself that deters some members from voting for capital punishment, then let us by all means find a method that is more humane, more acceptable to the abolitionists. I do not hold that hanging is the only method of execution that could or should be considered by this House when debating capital punishment. For example, in a recent opinion poll put out by the Metropolitan Toronto Police Association there were thousands of replies to their questionnaire which suggested the electric chair, the gas chamber, medical drugging, and many other methods of execution, so that is not an excuse for those who do not vote on this matter because of hanging as the means of execution in this country.

My mind is open on the question of method, but it is closed on the question of capital punishment itself. I cannot vote in good conscience to save the life of a person who deliberately, calculatedly, carries out a murder, and then throws himself or herself on the mercy of the courts, and on the mercy of the society that that person scorns. They scorn our laws, they scorn our way of life, and they scorn our efforts to maintain order, peace and security for our people. Then when they are caught and convicted of committing a brutal and vicious crime, they expect more consideration and compassion than that accorded to their victims.

The sad truth of the matter is that the criminal gets far more consideration than do the victims of crime, and I cannot accept this as a natural and normal response from those in an official capacity in our political and judicial systems. Here in the House of Commons we hear all kinds of arguments in support of saving the lives of convicted murderers; we hear that long prison sentences are inhumane; and we hear that our primary responsibility to convicted felons is to rehabilitate them. I reject those arguments, Mr. Speaker. I reject them most emphatically on the basis that once an individual has lowered himself to the level of being able to commit a premeditated murder there is absolutely no way that he should be permitted to make his way back into society—a society which he rejected by committing the worst of all crimes—a society which he obviously did not respect or like—a society of which he would take advantage once given a second chance, as has been statistically proven over and over again.

There is no question that capital crimes are being committed in our society, premeditated murder, and treason against our country. Those crimes should carry the death penalty upon conviction. Where it can be demonstrated that a murder has been committed, but not planned, then a long prison sentence should be the penalty, and this penalty too should be carried out to the full extent called for in the law.

[Mr. Jelinek.]

We have been too soft on criminals as we have been in other aspects of our society, Mr. Speaker, and therefore we are beginning to pay the price. Someone said that the chickens hatched by the cabinet in its abuse of the privilege of clemency have come home to roost. I believe very strongly that that is so. The Canadian people place the blame for the present high rate of violent crime squarely at the feet of the cabinet. In their wisdom the Canadian people have placed the blame for the decline in respect for law and order on the government, and the government can no longer shift the onus on to the courts or on the parole board. But I believe there will be a sufficient number of Liberal backbenchers who will have the guts to act according to their own conviction when the vote takes place.

Hardly anyone today can accept the government's alternative of a long prison sentence in place of the death penalty for capital murder. We have watched the government turn convicted felons, dangerous offenders, loose on society after ridiculously short-terms in prison. As I said earlier, a large number of those have then committed new crimes, up to and including murder. We do not trust the government to keep dangerous offenders in prison. If the government has commuted all death penalties imposed by the courts since the present law was passed, thereby breaking the very law it itself set, and if the government persists in releasing criminals into society on day passes and week end leaves only to commit further crimes, then how can we have any faith in its new proposals?

I must conclude my remarks by saying to the government that it has provided the best possible evidence, by its own actions and by its own attitude towards violent crime in Canada, that there can be no acceptable alternative to the death penalty. The death penalty must be reinstated, and it must be applied without fail unless there are extenuating circumstances such as a recommendation for clemency by a judge or jury. The government has made the best possible case for capital punishment by refusing to honour the mandate given it by parliament, and by ignoring the rights of law-abiding Canadians to protection of life and property.

● (2020)

The cracks are showing up daily in Liberal ranks over this issue, and the Solicitor General and the Minister of Justice must surely know by now that their policies, or non policies, with respect to crime and criminals are not finding any more favour among Liberals than among other parties. It is time for both ministers to stand aside and make room for ministers who will obey and honour the oaths of their office when it comes to this issue of capital punishment.

It is time for action in dealing with violent crime in Canada in a direct, serious, and realistic manner, rather than by means of this phony method. This is the phony method by which the government first brought in a decoy bill. I refer, of course, to Bill C-83, the first part of the so-called peace and security package, which was meant to justify this bill and the abolition of capital punishment. However, I do not think it is working the way it was meant to work. The smokescreen set up by the two ministers responsible, for the sole purpose of reducing or even eliminating any opposition to their egotistical goals, has suddenly, to their surprise, been penetrated by members of all

parties. Certainly my own personal wish is for this smokescreen to collapse totally and for this parliament to regain some of the dignity and prestige it has been losing in past years by voting in accordance with the wishes of the majority of Canadians.

In any case, as I was saying earlier in my remarks, it is time for action in dealing with violent crime in Canada, and it is also time for the Prime Minister to appoint people to those two ministries who will do more than just stand around wringing their hands over the fate of the poor, misunderstood murderers. If these actions are not dealt with, and if the government, starting with the Prime Minister himself, does not begin, first, to follow the laws of the land as set out by parliament, and second, to abide by the wishes of the great majority of Canadians when it comes to an emotional issue such as this, then there certainly should be no other alternative but, as I said earlier, to dissolve parliament, call a general election, and place capital punishment on the ballot for the good and well-being of all Canadians.

The Canadian people want action, and they want it now, and I can only say to hon. members on either side of the House who will vote for the abolition of capital punishment that they should live with their consciences over the the death of each innocent man, woman and child who has been brutally murdered by individuals who need not have respect for the law because all they have to do is follow the example of the cabinet.

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my intervention in this debate will be brief. While I agree that there is nothing of greater importance to discuss and decide than the matter of life and death, nevertheless I feel too much of the time, attention, effort and energy of this House and of Canadians generally are being devoted to the question of abolition or retention of capital punishment, and not nearly enough to the causes and eradication of crime.

Some hon. Members: Hear, hear!

Miss MacDonald: In 1973 I voted for Bill C-2 with reluctance, stating that I would much prefer to have seen legislation introduced at that time which would abolish capital punishment totally. This time I shall vote for Bill C-84 with reservations, not because I have in any way changed my views as to the necessity for total abolition, but because I am gravely concerned about those clauses of the bill which call for the establishment of mandatory minimum sentences. To my mind, that aspect of the bill makes it a very retrogressive piece of legislation.

Surely everyone in this House and every responsible member of society is deeply concerned about protecting society from the crime of murder. The protection of the public takes precedence over every other concern. The question is, then, how best can we ensure that protection? What are the means to enforce it? Is capital punishment a protective measure? While statistics have been cited to show that it is a deterrent, as often as not those same statistics are used to show that capital punishment has no deterrent value.

Many organizations and studies have been quoted on this matter. Let me add one more. It is from the Canadian Association of Elizabeth Fry Societies, and that association states:

> The most frequently used argument in favour of capital punishment is that it serves as a deterrent. Many studies, including recent ones at the University of Montreal and the University of Toronto, have shown that this is not so. While the murder rate in Canada has risen in the past five years, during the temporary suspension of capital punishment, the rate of other crimes of violence has increased even more quickly in this same period. The incidence of murders in many countries around the world indicates that the number of murders is related to economic conditions and the temper of the times, but has no relationship to whether or not the death penalty is used.
>
> Another common argument in favour of capital punishment is that it serves to protect society. We point out that such protection is not necessarily complete, because even if the death penalty is retained the courts might often accept the plea of manslaughter to avoid a capital sentence. On the other hand, if adequate safeguards are built into the parole system, it should be possible to protect society without having to resort to capital punishment.

I believe that capital punishment is ineffective as a deterrent, and I also believe that Bill C-84 in its present form is largely ineffective as a measure for the better protection of society.

Let me elaborate. First of all, I believe the arbitrary nature of some of the distinctions between first and second degree murder is counter productive to the intent of the legislation to protect members of society. A planned or deliberate murder would be considered first degree murder under this legislation and would carry a penalty of a mandatory minimum sentence of 25 years. Thus an individual convicted under this charge, involved in a single act against one individual, would be imprisoned for 25 years. Yet scientific evidence in recent years—in particular, two specific findings of criminal research—shows, first, that convicted murderers have low recidivism rates, and second, the longer the imprisonment, the slimmer the chances of rehabilitation.

However, let us consider the case of an unstable individual who, in a rage or acting on an impulse, murders several people, an occurrence which has been too sadly familiar in recent years in this country. This individual would be considered subject to the charge of second degree murder, and the terms of this bill would make that person a less dangerous threat to society. In reality the risk to society is often higher in the case of impulsive, irrational behaviour, yet the arbitrary nature of this legislation creates more stringent restrictions against those who plan one act.

Another questionable point of arbitrary classification in this legislation is the charge of first degree murder in cases where murder is committed during an attempted rape, indecent assault, kidnapping, forcible confinement, or hijacking. I do not for one single moment underestimate or underrate the heinous nature of these crimes and the abhorrence of murder under these circumstances, but by what criterion is a life taken during an attempted robbery less valuable than one taken during an indecent assault?

In terms of the protection of society this distinction is just not valid. According to a publication from the minister's own office, 66 per cent of murders committed during the commission of other criminal acts between 1961 and 1974 were murders associated with property and monetary crimes. Yet these murders, under this new legislation, would be deemed less threatening to society and have less

stringest measures against them than the 23 per cent of murders committed during sex crimes.

● (2030)

One other point that gives me serious misgivings as to the potential of this bill to protect society is the application of first degree murder to those who murder prison guards and policemen. I have discussed this aspect of the bill at length with persons employed in the penitentiary service in my own constituency. While we may not agree on certain aspects of the bill, there are many in that employ who question the imposition of a 25 year sentence and its resulting effects. It is vital—it is important that we support in every way possible the work being done by our security officers throughout Canada. It goes without saying that I am committed to that principle. I have some grave doubts that the arbitrary nature of the mandatory sentence proposed by this bill will achieve this aim. In fact there is good reason to believe it may hinder it.

Let me quote from an article by Dr. E. A. Fattah, Chairman of the Criminology Department at the Simon Fraser University. He said:

> Those familiar with the situation of inmates in penal institutions know well that the real incentive for obeying stringent institution rules lies not in the fear of punishment, but in the prospect of earning time off for good behaviour and the hope of getting parole. Take away these prospects and you have taken away any incentive for change or good conduct. A minimum of 25 years creates a distinct category of men without hope, and a man without hope is capable of doing anything and everything to draw attention to his cause and to his condition.

It is that last thought, a man without hope, that I have heard echoed by many employees in the penitentiary service.

I would say to the minister, who first declared his opposition to the 25 year sentence in January, 1973, that it is discouraging to see him now abandon this principle. How much better it would be if he and his colleagues showed more interest, indeed urgency, in addressing themselves to the root problem, the social conditions that breed crime.

Three years ago members in this House went through the same lengthy and emotional debate. Three years have passed and the government has done little to eradicate the fertile breeding ground of crime in a society plagued with high inflation, high unemployment, economic and regional disparity.

I very much fear the extent of the unrest and discontent in this country because these problems of high inflation and high unemployment are growing worse, and because of them violent crime is on the increase. Where in any of the proposals or background notes for this legislation is there a commitment by the government to undertake to gain insight into the causes and process of violent crime in our society, and to attempt seriously to counteract this process?

I shall vote for this bill because I sincerely believe that capital punishment is not the answer to prevent or deter murder, and while I am committed to support any measure that increases the protection of innocent citizens from violence at the hands of others I seriously question that the principle of minimum mandatory sentences will help achieve this objective; rather, these proposals could have the opposite effect.

[Miss MacDonald.]

I would strongly urge the minister to reconsider this aspect of Bill C-84, and to introduce amendments at committee stage that would remove the arbitrary and universal application of mandatory minimum sentences so that each case can be considered on its own for the sentence it merits.

Some hon. Members: Hear, hear!

Mr. J. H. Horner (Crowfoot): Mr. Speaker, as many hon. members have said in this debate, this bill has been before the House on four or five occasions since 1961. I am not going to go into detail on each of those debates, however. What I want to say is that I have read most of the speeches made on this subject in the House of Commons to date, and I should like to compliment some of the members who have spoken for abolition, and some in the Liberal party who have been brave enough to speak out for retention of capital punishment.

We in this country are deeply concerned with the prevention and control of violent crime. I think that concern has brought out a desire on the part of many members on the government side to speak up even though they may well risk promotion or favour within the government in their chosen field of interest. I think it takes a great deal of courage and a great deal of determination on their part to represent the people they chose to represent. When they went before the people in 1974 and 1972, they said they would represent, they would serve. I want to emphasize those two phrases, Mr. Speaker—"they will represent and they will serve". Some have spoken out and have proved they have a determination to represent and a determination to serve.

I am particularly regretful that this speaking out by government members on the side of retention ended on Thursday last week. No government members on Friday, and hardly any today, have spoken on behalf of the government for retention or abolition. That suggests to me—

Mr. Guay (St. Boniface): That is not so!

Mr. Horner: I understand that is not so and I accept the correction of the government Whip.

Mr. Guay (St. Boniface): Mr. Speaker, I rise on a point of order. That is not true at all. In fact we were told by the loyal opposition that they had numerous speakers, well beyond what we have. We are trying to give them a break so that we can get their speakers to go through. Our speakers will come up just the same. We are giving a break to the opposition, and we do not want the record to show that we have no speakers. I am a retentionist myself. I am not afraid to speak out, and I am sure many others on this side will do likewise.

Some hon. Members: Hear, hear!

Mr. Railton: I am saving time or I would speak.

Mr. Horner: The hon. member is in a particular position to lend a great deal of wisdom to this subject, Mr. Speaker. Rather than save time, if he had told his constituents in 1972 and 1974 that he would not speak out in the House of Commons because he believes time is more important and he is not needed to represent them, and that Trudeau and

the cabinet represent him on government issues and he need not speak out at all, they would not have sent him to Ottawa. He is a member in a position to lend some wisdom to this debate.

Mr. Railton: Mr. Speaker, on a point of order—

The Acting Speaker (Mr. Turner): The hon. member for Welland (Mr. Railton) on a point of order. I would suggest we all get back to the subject of debate.

Mr. Railton: Mr. Speaker, I think we will have to correct some misstatements. It is too bad. I have spoken on this subject twice before, but I have not spoken this time because I thought we were trying to save time. Nobody has brought forward any new ideas on this subject. I hope the hon. member for Crowfoot (Mr. Horner) will, but even if he does not I think it is regrettable that we have so much misstatement and talking around the subject. I hope he will give us some new ideas.

● (2040)

Mr. Horner: Mr. Speaker, I apologize to the hon. member. The last thing I wanted him to do was rise, bare his soul, and tell the House he had no new ideas to offer. But he interrupted me. I shall forever let it be known that he has no new ideas to offer this House, and his constituents can judge him accordingly. So long as he represents his constituency I will not mention his name again in the House. I know he has nothing new to offer.

I have been interrupted several times. I do not mind interruptions.

Mr. Railton: Good going, Jack!

Mr. Horner: But it is difficult to maintain one's continuity of thought. As I was saying before the interruption, we are concerned about preventing the incidence of violent crime in this country and we must exercise our responsibilities to the full, to eliminate the difficulty confronting Canada.

This has been an interesting debate, and I have read most of the speeches. There have been worth-while contributions on the side of abolition and on the side of retention. To me, it is glaringly obvious that all members of the socialist party believe in abolition, that most Progressive Conservatives believe in retention—

An hon. Member: What about your leader?

Mr. Horner: I said most—and that most members of the Liberal party believe in retaining power and in doing what is necessary to retain power. Therefore we must approach this question philosophically. Why do socialists, the NDP group included, believe in abolition?

An hon. Member: Ask Joe Clark.

An hon. Member: Ask Trudeau.

Mr. Horner: It is apparent that socialists support evermore controls over the individual.

Some hon. Members: Oh, oh!

Mr. Horner: Mr. Speaker, if any hon. members interrupting me have something new to suggest, perhaps they can speak after I have finished. I am trying to put forward new thoughts which may invigorate the minds of some hon. members for the first time since their election.

Some hon. Members: Hear, hear!

Mr. Guay (St. Boniface): Let's hear them.

Mr. Horner: The socialists believe in more state control over the individual. That may be oversimplifying the position but that, I believe, is a broad statement which socialists find acceptable. They think private enterprise cannot do the job, that the state knows best, that the state should control the people, and that it should therefore have absolute control. In exercising absolute control it must restrict the individual in every nook and cranny of activity. But this restraint of the individual makes the individual rebellious.

Far be it from me to suggest that the spirit of rebelliousness is more prevalent today than it was ten or 20 years ago; the fact remains that the spirit of rebelliousness is ever more evident. Therefore it is not surprising to note that crime rates are higher than they were ten years or 20 years ago. As I said, the more controls the state imposes on the individual, the more rebellious will the individual become. He rebels against the state. The rebellious action might take the form of crime committed against our wives or loved ones.

The fundamental question we must answer is: how are we to curb this rebelliousness? Are we, as legislators, doing everything we can to give the individual freedom to do what he wants to do in society, freedom to better his community and country; or are we imposing so many restrictions on the individual that he tends to rebel? If we are to cure the ever-increasing incidence of violent crime, we, as legislators, must answer that question. Of course the socialists think the state knows best. Their position is almost religious: the state knows best, does everything best, and we should all be controlled by the state. This experiment has been tried in Russia, with not too much success. I doubt if it will succeed in the end, just as I doubt if it will succeed in any other relatively affluent country. It succeeded in mainland China for a number of years, a country suffering from great poverty and distress. There the state managed the economy more efficiently than the individual could have managed it; but I do not expect that experiment to last for many years in the future. I think in the years ahead the present system of authority in mainland China will decay.

Putting it simply, when the state imposes its external discipline on the individual, the individual tends to rebel. As legislators we must encourage the individual to exercise self-discipline, self-restraint, for his own betterment and that of his community. In the long run state imposed discipline on the individual creates rebellion, upheaval, and an increase in violent crime. Therefore I am not surprised at what has happened in this country. The government is imposing ever more external pressure on the individual and fostering the spirit of rebellion.

Let us examine certain statistics relating to Canada. In 1954, when our population was some 15 million, there were

125 murders in this country. By 1964 our population had risen to over 19 million, and there were 218 murders. In 1974, when ever more restrictions had been placed on the individual, we experienced 545 murders. That represents an increase in the murder rate of well over 100 per cent between 1964 and 1974. Why did the murder rate increase so dramatically? Part of the reason is that the government took more and more decisions unto itself and left fewer to the individual.

I think many members misunderstand the history of this bill. In 1967 we embarked on a trial period during which capital punishment was to be abolished, except in cases involving the killing of a prison guard or policeman. I did not vote in support of that bill because I felt my wife, granddaughter and loved ones were entitled to as much protection as was being afforded to policemen and to prison guards. I felt that the trial period was not good for Canada. Since 1967 the government has fully demonstrated that it does not intend to carry out the will of parliament, the will enshrined in the 1967 legislation.

● (2050)

That provision was reinstated in 1972, and again the same thing held true. Since 1972 the government has deliberately demonstrated to the people of Canada that it has no intention of carrying out the will of parliament. What does this mean for Canadians? Many abolitionists have argued that capital punishment has no deterrent effect and that the retentionists have never proved the contrary. Mr. Speaker, we have never been given the chance to prove that it has a deterrent effect because the government has deliberately gone out of its way to commute all death sentences.

I know there are cabinet ministers who will argue that they have a right to commute death sentences and that, this being the case, they did not deliberately disobey the law. My interpretation of the record leads me to an opposite conclusion. In my view the very fact that they are bringing forward this bill at the present time before the trial period is ended proves my case. Why are they bringing it forward now? It is because their conscience is bothering them. They cannot continue to disobey the legislation which was passed in 1972 by commuting all the death sentences which come before them.

If ministers could stand in their places and say they never deliberately disobeyed the will of parliament, but had logically studied every case individually before reaching a decision to commute, that would be one thing. But they do not. Perhaps my judgment is caustic. Perhaps I ought not to accuse them of deliberately taking the action they did. Well, let them rise and say now that they will continue to commute all the sentences which come before them for review or, on the other hand, that they will not. But ministers will not make such a statement. They want to abolish capital punishment.

What we are contemplating now is not a free vote of the House of Commons but the imposition of the will of the cabinet on backbenchers on the government side. It is an attempt to hoodwink members of the opposition into believing this is a free vote. I know the whip is looking at me with an angry eye.

Mr. Guay (St. Boniface): I am not.

[Mr. Horner.]

Mr. Horner: They may well be hoodwinking even him.

An hon. Member: That would be easy!

Mr. Horner: I maintain that the conscience, even of this cabinet, is becoming uneasy. Ministers feel they cannot commute all the death sentences which come before them and they want "off the hook". I say to members on all sides: do not let the government off the hook. This is a government which undertook to govern for the good of the people and by the consent of the people. There can be no question as to the wish of the Canadian people. They are opting from 70 to 80 per cent across Canada for the retention of capital punishment in cases of heinous crimes.

I should like to turn to one other aspect of the subject, one which is often debated in the House, the subject of rehabilitation. A former colleague of mine in this Chamber, now the ombudsman for the Province of Ontario, often spoke on this topic and his speeches were always very moving; they commanded a good deal of attention. He was a believer in rehabilitation. He would say, "Never give up hope for your fellow man; always hold out some hope of rehabilitation for him." I found that point of view hard to argue against whenever I discussed the matter with him. Now look at the bill before us.

Where do we find any hope for the rehabilitation of persons who commit a violent crime, the crime which is called capital murder? I see no hope for them. A man is sentenced to 25 years and it is true that possibly, following judicial inquiry, he can be released after serving 15. I see no hope for a man who commits a murder, now called non-capital murder, and who is sentenced to ten years because he loses his temper, or because in a fit of rage or passion he kills a loved one, or someone near to him.

Where are the true abolitionists in this House who can support this legislation, a bill which would destroy all hope of rehabilitation? I doubt very much whether my former colleague, the present ombudsman for Ontario, would support this measure.

An hon. Member: Yes, he would.

Mr. Horner: In that case, he would not really believe it. It is possible to support this legislation if you do not really believe it will be carried out. But if you really believe the letter of the law will be obeyed, then how can you support this legislation if you are an abolitionist? It leaves no room for rehabilitation.

One government member who has spoken in this debate says he intends to move an amendment to the legislation in committee. He admitted in his speech that the bill destroys all hope for certain persons. He maintains that in all cases where hope is destroyed and a second murder is committed, capital punishment should be enforced. Speaking to him privately he tells me that many hon. members support such a stand. This goes to prove that many of us accept that any hope for rehabilitation is destroyed if the letter of the law is applied. Mr. Speaker, we cannot buy this piece of poorly-drafted legislation which is put forward in an attempt to force parliament to get the cabinet off the hook. I do not want to get any government off the hook when it does not have the courage to obey the law of the land and the will of the people.

This is the fifth debate on this subject in which I have taken part in the House of Commons, and to my mind it is the worst. It is true that some of the best speeches might have been made in it, but the subject matter is the worst. The government is not asking parliament to return to the use of capital punishment. It is asking for its abolition even in the case of the murder of policemen and prison guards.

An hon. Member: And treason.

Mr. Horner: "And treason", as correctly stated by the hon. member for Winnipeg South Centre (Mr. McKenzie). Policemen and prison guards have asked that this legislation be voted down. Who knows best? Let hon. members answer to their constituents. This is an important piece of legislation about which I wish there were more new thought on the part of the backbenchers of the Liberal party who rise to speak and represent their constituents.

● (2100)

Mr. Speaker: Order, please.

Mr. Horner: I have not finished, Mr. Speaker.

Mr. Speaker: It being nine o'clock, pursuant to order made earlier this day it is my duty to interrupt the proceedings now before the House so that we may resume debate on the motion moved earlier this day, upon which debate was adjourned.

ROUTINE PROCEEDINGS

[*English*]

BUSINESS OF THE HOUSE

MOTION FOR EXTENDED SITTINGS

The House resumed consideration of the motion of Mr. Sharp:

That, notwithstanding any Standing or Special Order, for the remainder of the session, no private members' business shall be taken up, and on Tuesdays and Thursdays the House shall sit from 11.00 a.m. to 1.00 p.m. to consider government bills, provided that, on those days, the normal daily routine of business shall be taken up at 2.00 p.m.

Mr. Speaker: Is the President of the Privy Council rising on a point of order?

Mr. Sharp: Yes, Mr. Speaker. You may recall that you very wisely made the suggestion that the House leaders might assemble again to consider the situation that had arisen during the exchange of pleasantries earlier this day. I should like to inform the House, through you, that we have had some further discussions.

The government is now in a position to agree not to insist on proceeding with Bill C-87, regarding expenditure restraints—

Some hon. Members: Hear, hear!

Mr. Sharp: I had not quite finished the sentence, Mr. Speaker. The government is now in a position to agree not to insist on proceeding with Bill C-87, regarding expenditure restraints, before the summer adjournment. If it is not approved in the fall before prorogation it will, however, be brought back in the next session for passage before the end of the year.

Bill C-83 causes greater difficulty, however, since we do not have a clear indication of when it may be reported from committee. If it is reported comparatively early and if there are signs that its passage will not be much delayed, there is a chance that we shall endeavour to make further progress on it before the break. I say this because the committee is hard at work. In any case, if it is not passed before then it will have the very highest priority in the autumn, whether in a brief continuation of this session or at a reinstated stage in the next one.

We will not adjourn until Bill C-84, regarding capital punishment, is disposed of—either way—at all stages.

I must also inform the hon. member for Winnipeg North Centre (Mr. Knowles) that we must also seek third reading of Bill C-68, regarding medicare, for this bill emanates from the budget of almost one year ago, has been debated at great length, and is now at third reading stage. In addition, Bill S-35, respecting proprietary and patent medicines, and Bill S-88, amending the Canadian Wheat Board Act, are needed before we adjourn. I understand as well that there may be a mutual desire to complete Bill S-32, regarding certain tax conventions. I say this because I have had representations from other countries, and from Canadian businessmen who would like to have that bill approved so that they can proceed with some transactions that are now underway. When royal assent has been given to these items, even if it is before June 30, we should be in a position to begin the summer break.

Many members have expressed concern about the timing of a division on second reading of Bill C-84. The House, of course, has made a special order providing for a negotiated timing of that division within one week of the conclusion of the debate. We had a discussion among the House leaders in an effort to see if we could pinpoint a time when a division might take place, since it is desirable that as much notice as possible should be given to members, regardless of their views on this bill, so they can be here when the division takes place. We looked at the schedule, and most especially the schedule of budget debate and supply days, and we came to the conclusion—I hope I am expressing the views of all my colleagues—that it would not be unrealistic for members to plan on the division occurring on the morning of June 22. We could not make that an order; it is simply—

Mr. Baker (Grenville-Carleton): That is second reading?

Mr. Sharp: Yes, that is the division on second reading. That seems to be the most likely date, given all the considerations and all the time constraints. This is the basis upon which we met and, I hope, agreed, Mr. Speaker, and it is my understanding that on this basis we can now proceed to take a vote on the motion that is before the House.

Mr. Baker (Grenville-Carleton): Mr. Speaker, just a brief reply to the government House leader. He has correctly put forth the understanding that we reached at the meeting today, except for S-32, which he is not pressing in

any event and which I undertake to look into from our point of view. That being the case, we are quite prepared now to allow the motion standing in his name to proceed without further debate.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, as the hon. member for Grenville-Carleton (Mr. Baker) has pointed out, the government House leader has given a correct summary of the understanding that we had at our meeting in his office at 6.15 this evening. I should like to say that once again it has been proven that discussion does have value and that compromise here and there sometimes brings results.

It had been our hope that the government would agree not to proceed before the adjournment with either Bill C-87 or Bill C-68. For a while the government House leader seemed to hope that he might have to postpone only part of Bill C-87, the restraint package, but in the end he agreed to postpone the whole of Bill C-87. But as he has already said, he could not meet me with respect to Bill C-68, which relates to medicare. Well, Mr. Speaker, in the process of give and take, we concurred in the agreement, though I point out to him that when Bill C-68 is called for third reading we shall debate the bill in the hope that we may yet be able to persuade the government that it is a bad piece of legislation to proceed with at this time.

With that understanding I concur with what was said by the two previous speakers, and we are now prepared for the motion respecting extra hours to be passed without further debate.

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, the comments of the President of the Privy Council (Mr. Sharp) and the two previous speakers prove that when we have discussions with the leaders of all parties in the House, an agreement is reached without resorting to closure and without warming our ears too much, as we say in Quebec. I think it is quite fair to co-operate with the government and adjourn at a reasonable date for the summer holidays. We agree with the comments of the President of the Privy Council.

[*English*]

Mr. Speaker: Is the House ready for the question on the motion put earlier this day by the President of the Privy Council?

Some hon. Members: Question.

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

Some hon. Members: Agreed.

Motion (Mr. Sharp) agreed to.

[Mr. Baker (Grenville-Carleton).]

• (2110)

GOVERNMENT ORDERS

CRIMINAL CODE

MEASURES RESPECTING PUNISHMENT FOR MURDER AND OTHER SERIOUS OFFENCES

The House resumed consideration of the motion of Mr. Allmand that Bill C-84, to amend the Criminal Code in relation to the punishment for murder and certain other serious offences, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, before the interruption at nine o'clock I was speaking at length about the philosophical side of the question before the House, and the neglect of members on the government side to represent and serve their constituents as they said they would in the 1972 and 1974 election campaigns, and that should encompass most of the backbenchers on that side of the House.

Let me now deal with a matter that may be difficult to prove, and that is the deterrent effect of capital punishment. Many members, including the Solicitor General (Mr. Allmand), have said they do not believe there is any deterrent value in the retention of capital punishment. I would be the first to admit there is no deterrent value in retention of capital punishment in respect of those crimes committed in a fit of passion or in the heat of an argument. There can be a deterrent value where a crime is deliberately planned by a person against another person or persons. It is really that simple.

The minister said the deterrent value had never been proven. The hon. member for New Westminster (Mr. Leggatt) made a speech in which he recalled a number of murder cases where there was some question about the actual justness of sentencing individuals to the death penalty. He mentioned the Coffin case, the Raymond Cook case, and a number of others. Many of the people who have mentioned those cases and have put forward that argument did not take into consideration the changes in the legislation in September 1961. Those changes in essence established non-capital and capital murder.

Before the non-capital and capital murder trial period we are now embarked upon, murder was defined as being premeditated, proven beyond a shadow of a doubt. Murder was a premeditated and deliberate taking of somebody's life. The government came along in 1967 and changed the essence of capital murder to being that of killing a policeman or a prison guard. Murder then did not have to be premeditated, preconceived, or deliberate. As the law now exists, a frightened 17-year old youth with a heavy flashlight in his hand who hits a policeman over the head and kills him accidentally would be committing murder. Perhaps the cabinet would commute the sentence in such a case, and I would agree with that commutation.

The path we are embarking upon through this legislation is one that will lay down the penalty for murder, namely, ten years for non-capital and 25 years for capital murder. I assume that will be under the 1961 definition and not murder in respect of policemen and prison guards. That

being the case, the 17-year old who hits the policeman with a heavy flashlight, killing him, could serve 25 years unless the government commuted his sentence. This means that the 17-year old youth, stronger than he might think, who hit the policeman could serve 25 years without commutation following a judicial inquiry or something of that sort. To my way of thinking that is not justifiable legislation.

The 1962 legislation, which set up two degrees of capital murder, was never given a fair trial in this country because the government changed hands and the next Prime Minister commuted every sentence. It was conceived in the minds of those people who might commit murder that their sentence would be commuted and they would not have to forfeit their lives. For that reason it was impossible to prove or disprove the value of capital punishment as a deterrent. It has been impossible in the last 15 years to determine the deterrent effect of capital punishment because this government and the government before it demonstrated to the country at large that there was no intention to carry out the death penalty.

Before 1961 we had a different situation altogether because we did not have two degrees of murder. There was a sentence for murder, and whenever the courts recommended a plea for leniency the cabinet commuted the sentence. In some cases when the courts did not pass on a recommendation the cabinet commuted the sentence anyway. I am thinking particularly of the case referred to by the hon. member for New Westminster of Steven Truscott, a boy of 14 years of age. Under the law passed in 1961 he would never have been subject to capital punishment.

Many cases prior to 1961 would not have been subject to the death penalty under the law as it stood from September 1961 on, and there would have been no necessity for commutation. These were cases that involved deliberate murder. Each one of these cases since 1961 was subject to commutation, therefore any attempt to prove the deterrent value of capital punishment has been impossible in Canada.

It is the knowledge of the risk one is taking that really is the measure of deterrence. If one believes he will never be caught he might go out and rob a store. Perhaps one will go out and commit a murder if he knows he will never be caught. It is the degree of risk of being convicted and punished that deters one from committing the offence. One can use many examples to show this, some of them regarding the penal system within this country of ours. Let us take the speed limit in a specific area as an example. We do not have to use even the breathalyzer case.

If there is a 30-mile an hour speed zone and one knows he will never be caught, he will more than likely travel through that zone at 40 miles an hour. If he knows there is a speed trap around the next corner or in the next block he will travel through that speed zone at 30 miles an hour. It is not the speed zone that stops him from going faster than 30 miles an hour, it is the risk of being caught that holds him to 30 miles an hour.

The government has demonstrated to Canadian society that it is not prepared to use capital punishment.

An hon. Member: Oh, oh!

Mr. Horner: If a new thought has struck you, then rise in your place and make a speech. I will listen to you, as I am sure other members in the House will. We will welcome your speech as I am sure your constituents would welcome it.

It has been impossible to prove the deterrent value of capital punishment in this country since the change in the law because the government of Mr. Pearson and this government have commuted every sentence. This government has used the trial period as a hoax on parliament. Do hon. members realize what happened to them in 1967? The Liberal government conned them as it conned parliament in 1972. Hon. members who vote on this legislation, no matter on which side of the House they sit, will be allowing themselves to be conned again because the government does not intend to carry out the measure it is asking us to pass. By that I mean the government does not intend to make sure that any convicted murderer stays in jail for 25 years. I know, and everyone in this country knows, that members of the cabinet are not that inhumane. They will let them out before their 25-year sentence has been served. I would hope they would let non-capital murderers out before ten years. They do not believe in their own legislation.

● (2120)

If the legislation should be defeated we will go back into a trial period. If we go back into a trial period the government can commute every sentence from now until the next election. I expect it. All those who would be subject to it will expect it, and the electors will make a new decision in 1978. They may make a new decision in any event in the constituency of the hon. member opposite who is interjecting, because they already know he has nothing new to offer. They will make a new decision in respect of many seats in this House of Commons if the government continues to commute every sentence between now and 1978. But if the legislation is accepted, the government does not intend to follow it, and if the legislation is defeated the government will continue not to obey the wishes of the Canadian people.

I shall conclude by saying to all members of this House of Commons that they have been conned twice. If they allow themselves to be conned a third time I can only say that the people of Canada should take a look at those who represent them in this House and see how they are conned and how little they really are prepared to serve the will of the Canadian people. In all the speeches made in this debate no one has disagreed in respect of the will of the people. Everyone has said that 70 per cent or 80 per cent of the people of Canada believe in the retention of capital punishment. Can we be conned into disobeying the will of the people in a democracy? That is the fundamental question. If we are, will the people take it laying down? Mr. Speaker, I hope not.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I must say in participating in the debate on Bill C-84 that I think my remarks will be a little more brief than they sometimes are. It has been stated publicly, although it is open to some interpretation, that this is to be a free vote. Certainly on this side of the House there is a very real intent to have a free vote.

All of us on all sides who have participated in this debate in terms of the discussion so far have been subjected to what we euphemistically call our own conscience. In such a situation it is rather difficult to try to persuade one's colleagues to switch their conscience and substitute it for your own. On that premise this is a much different debate from what we usually have in this Chamber. There are political cross-currents to it obviously because the government is committed to a peace and order package, Bill C-83 and Bill C-84. Obviously the government would like to get this bill out of the way, and as far away as possible from an election. In that type of scenario there are political cross-currents, but considering the merits and demerits of the question I do not really think one can put a political stripe on Bill C-84.

In our own ranks there are honest differences of opinion, as I am sure there are on the other side. This is not really a happy debate. It cannot be when we are discussing capital punishment. While I was the opposition spokesman in respect of the office of the Solicitor General I must say although I have a great deal of respect for the Solicitor General (Mr. Allmand) I was somewhat irritated by a speech that hon. gentleman made before the Bar Association in Montreal, I believe last summer. He became very emotional about this issue and said that capital punishment is not a happy occasion. I quite agree with him. Capital punishment is not a happy time. It is not a happy, festive event. But the events which lead to capital punishment are not happy festive occasions either.

One of the difficulties I had as opposition spokesman in respect of the office of the Solicitor General was in relation to the emotional effect this issue had on the Solicitor General who seemed to wear bifocals or blinkers against the realities of the world. We all would like to have a world in which we did not have to talk about capital punishment. This is neither a happy time nor a happy debate. However, this is a fundamental debate which goes back before the time of Jesus Christ.

There was the code of an eye for an eye and a tooth for a tooth, although I do not look at it in terms of retribution or revenge. In 1700 BC the philosophers spoke of the sanctity of the individual versus the protection of the state. When we shake it all down, that is what we are talking about today, the sanctity of the individual balanced against the necessity of laws to protect society.

I have been on the political gallows three times since I have been a member of parliament. Three times I have been confronted with this question. I must say, however, that I do not have the conviction of my colleagues on either side of the House who are either firm retentionists or firm abolitionists because my voting record on this question has switched. I was an abolitionist when I first voted, and the next time I was a retentionist in respect of policemen and prison guards because I voted for that qualifying amendment. This can be interpreted either way. The retentionists say it is qualified retention and the abolitionist say it is qualified abolition, because capital punishment is still in the code.

On the last occasion I voted for an amendment moved by one of my colleagues to the effect that the discrimination be removed in respect of policemen and prison guards. I voted in effect for full retention on the basis that one life is just as good as any other life because the people working in prisons and/or on the streets policing our neighbourhoods know that that is part of the risk involved in their job. I have said that I do not have the conviction of my colleagues because I have swung back and forth. Perhaps that is not the right way to put it. I have voted on both sides of the issue.

In a sense this parliament is removed from the people. It is not in touch with the people. Here in this peace and order package we have two bills, Bill C-83 and Bill C-84, which to me demonstrate almost more graphically than any words used by anyone in this Chamber how this Chamber is getting away from the people at the grass roots from coast to coast, be they in the city or in the countryside of this grand land of ours.

If we take Bill C-84 first, we might consider the pollsters and the polls which indicate that anywhere from 70 per cent to 80 per cent of the people favour some form of capital punishment. So, what are we doing here? Two years after we debated this issue we are back at it again for several days. In effect we are saying to the people of Canada that they may think they know what they want but we, the representatives, really know what they want and we are coming back to this issue of capital punishment and perhaps will resolve it for all time, not by popular request or because of great public agitation across the country to start it again. If there is anything, it is almost the reverse.

The fact if that the present law has not been fully implemented. I think there has been disenchantment on the part of the public across the land because the people have very real doubts, to put it mildly, as to whether the law is really being followed or whether it is being broken by almost automatic commutation.

• (2130)

You have the fundamental question: life, liberty, and protection of society, a matter which we have debated several times in the House and most of us debated at least two years ago. There was no great public outcry that capital punishment should be abolished. In fact anywhere from 75 per cent to 80 per cent of the population, according to the polls, say there should be some form of capital punishment. Yet this parliament debates a bill which flies right in the face of that solid public opinion.

Let us consider Bill C-83, the other half of this peace and order package. If you put the question to the public in a poll and ask them. "Are you in favour of gun control?" The public, not knowing fully what you mean, will say, most likely, "yea, of course there should be some type of gun control", not appreciating the fact that gun control in a definite form is in existence now. That is the problem with polls; you can phrase the question in such a way as to get the answer you want. The same question to the public at large on capital punishment may bring forth the same response, so that anywhere from 60 per cent to 80 per cent of the population to whom the blanket question "are you in favour of gun control" is put, will say, "yes". If you tell them that gun control exists, that might change some of the answers.

It is just as fundamentally clear that the three million Canadians who have an interest in guns of one type or

another, in pistol shooting or in hobby gun collecting, are very much against Bill C-83. Already we have the situation of the government moving 44 amendments in committee to try to improve a bill that has so many defects in it. But any logical person, regardless of what he felt about gun control, would not know that this bill would not do the job and would be a fundamental intrusion into the private lives of Canadians. So in these two areas covered by Bill C-84 and Bill C-83 we fly completely against solid public opinion.

While you can have some fun phrasing questions about gun control, it is as clear as the day is hot outside this Chamber that three million Canadians—a pretty sizeable lobby—have real reservations about Bill C-83, and apparently so does the government because it brought in 44 amendments. The hon. member for Calgary North (Mr. Woolliams) says that another 44 amendments will be coming in to try to make a bill that is riddled with holes like Swiss cheese into a sensible bill.

These two illustrations show why the Canadian public is wondering what its representatives are doing with public time. I know members of parliament have to vote according to their conscience. One could go back to Edmund Burke who was a member of parliament in England and who gave that fine speech in Bristol, but nevertheless, he was defeated in the next election. That is how many people Mr. Burke led many years ago. Regardless of that, I do not stand here tonight and say that the parliament of Canada is not dealing with this question in the best interests of Canada. Obviously we have to make hard laws from time to time and one does not necessarily have to go to polls because, and I said earlier, the questions can affect the answers in a poll.

Having debated this matter several times, and acknowledging the fact that this bill is flying against the weight of Canadian opinion on this fundamental question of capital punishment, I really think that parliamentarians in this House of Commons are treading on dangerous waters in effect by confronting a solid body of public opinion. Having voted on both sides of this question and having practised law many years ago I say that when you change the law there is some onus on those proposing the new laws to say why they are going to change it and to justify the change.

We all know that the matter of deterrents is no proof even though the Solicitor General, when he opened the debate, cited statistics which showed that the rate of crime has increased since the law has been changed. Yet he did say that there has not been enough time to fully assess the effects because the last change took place only two years ago. As the hon. member for Crowfoot (Mr. Horner) said, the present law has had no deterrent effect because there has been automatic commutation, so there has not been an honest, full, true trial run on this delicate subject. That is one of the dilemmas confronting hon. members. We are debating something almost in a vacuum. We have had the law but it has not really been applied.

When I am asked to vote for Bill C-84 I look to the Solicitor General to give me some reasons why I should vote to change the law and put in its place something better. He says himself it cannot be proved by statistics but he tells us to take it on faith because we are now humane people, and therefore we should not apply this medieval form of punishment. I feel instinctively that there is something about this argument of deterrents that is completely false, and yet I have full respect for the fervour of abolitionists. I wish I had the convictions of my colleagues who believe firmly in either one side or the other, because unfortunately I appreciate arguments on both sides and in fact I voted both ways on this question.

With regard to deterrents, if you admit that you cannot prove the case on the basis of statistics—and I certainly shoot down the surveys that we have received from the Solicitor General's office which imply that capital punishment has no deterrent value—how do you prove it? Will you go to death row and ask old Joe—

An hon. Member: Did you say Joe?

Mr. Nowlan: If you ask him, "Had you known you were going to swing, would you have done the dirty deed?" that is one of the most fundamental conflicts of interest because dirty old Joe, or great old Joe, who is going to take that final walk—

An hon. Member: Joe who?

Mr. Paproski: Joe Guay.

Mr. Nowlan: This is an allegorical joke. We could just as well say, Peter, Paul or Pierre. Anyway, Peter, Paul or Pierre sitting in death row cannot answer the question objectively because there is a fundamental conflict of interest in what they tell you, if you are a fervent sociologist trying to figure out what they would have done had they known they would take the final walk. That is one side of the argument. The other side, which is more valid, is how many people are roaming the streets who have not done the heinous crime and have never gone to jail. If they had bumped off Pierre, Paul or Peter, they might have had to face the final step. You cannot shake it down on statistics, but my instinct and common sense tell me not to accept some of the inferences in the surveys of the Solicitor General that there is no deterrent value in capital punishment. Just hearing the horrible things we are told in the House, the descriptions we have had about the different types of penalties and the very volume of words used in the House on the subject, are some indication that if you weighed the balance of probabilities you would not prove it by statistics but there may be in someone's mind some deterrent value in this whole operation.

The argument concerning deterrents does not convince me to vote for the bill. It cannot be proved, my instinct says there may be some deterrent there, and if there is a tittle of a chance of deterrence, then I ask, why opt for a change?

● (2140)

There is another reason I cannot vote for Bill C-84 at this time, even if I were a firm abolitionist, but regardless of that believing somewhat in retention, I think it is an absolute cop out to have imprisonment for capital crime of 25 or 35 years, depending on the type of crime, with no hope in effect of rehabilitation. That clause about imprisonment without any parole for a 25 or 35 year period, depending on the type of crime, is a slow death, crueller or worse than hanging. I say that is a cop out, and even if I

were a firm abolitionist I would have to look at this bill with a most critical eye and face the problem head on: with all the powers of commutation a man should not be sentenced for one crime of passion or for an accidental killing in a bank robbery to a type of imprisonment which will give him no hope at all.

That clause, along with the clause mentioned by the right hon. member for Prince Albert (Mr. Diefenbaker), is not acceptable, although I do agree in part with the Prime Minister (Mr. Trudeau): If you believe fundamentally in abolition, in theory it really should not matter. With respect, this is one of the problems with our Prime Minister; he is a pretty interesting theoretician, but in terms of practical politics and practical realities he creates difficulties for himself.

In theory he is right; if you believe in abolition, what difference whether the crime is treason or murdering your wife, a policeman or a prison guard? The Prime Minister is theoretically right, but at this particular time in Canada with the problems we have, or might inherit from across the seas in view of some of the events which are going to take place, to do more than they have done in Britain and eliminate capital punishment for treason, acts against the Queen and that type of crime, which is fundamentally against the state, I think is just naive.

Since the proponents of the bill cannot show me what good the change is going to do in terms of law and order and/or protection of the state, since the deterrent effect cannot be proven by statistics one way or the other to further the bill—and I say instinctively there is some deterrence—and if there is a tittle of deterrence, hon. members should think about how they vote on this bill.

Then there are two clauses in this bill which were not in other bills: first, definite periods of imprisonment which will cut out the heart of man in terms of the hope of any rehabilitation, which I think is insidious; and second, we are going to eliminate capital punishment for all forms of capital crime at this time. I say that the theoreticians and philosophers may be in great company with the muses of the ages, going back to Hammurabi of the 1700's, but they are not being very realistic.

I do not know how much time I have left. I was going to speak very briefly because I know the hon. member for Winnipeg South Centre (Mr. McKenzie) wants to speak. However, I want to say where I stand fundamentally on this thing, and what bothers me about this bill.

Unfortunately the public has made capital punishment rather symbolic, and there is in that strong poll for capital punishment a symbolism that if you have capital punishment and if there is capital punishment for a capital prime, then *ipso facto* all problems of law and disturbances in our cities and on our streets are going to vanish. We know that will not happen whether this bill passes or not. The symbolism is not going to be carried through into reality. We will still have difficulties in the administration of justice and on our streets at night and during the day, but I do believe that there are many times when members of parliament have to vote on a bill when the weight of the evidence is not strong one way or the other and the public believes, rightly or wrongly, that there is a very real symbolic effect. I just do not know why members of parliament should fly in the face of that symbolism.

[Mr. Nowlan.]

I know this bill will not correct all the problems, but conversely, if there is a large body of the Canadian public—as there is—which either believes in the principle of capital punishment or has the principle of capital punishment associated with the symbolism of having less permissiveness and fewer problems on the streets at night—in effect, I suppose, the cliché of more law and order—and if it honestly believes that and that is part of the psyche, then why should members of parliament vote to cut that symbolism away from the psyche? If that makes law abiders more comfortable and is not doing them any harm, I just wonder why this bill is so necessary.

There are many other things I would like to say about this, but it has all been said. There was a little discussion earlier between the hon. member for Welland (Mr. Railton) and others about new ideas. I do not really think there are many new ideas on such a fundamental issue which has been with us and will be with us in one form or another regardless of this bill.

In terms of the administration of justice, in the old days there is no doubt about the chance of an error. That is the fundamental thing which bothers me. There is a chance of an error, that capital punishment might be exacted and that it might be found that there was a mistake. We obviously cannot resurrect the mistake; that certainly is something which bothers all hon. members. However, I think in the administration of justice in our society the pendulum has swung so far that it gives an accused person an exaggerated benefit of doubt, not only in the criminal court but in all courts of appeal. It has swung that way with regard to parole as well. I think the minister's own average is ten years; after a capital crime a criminal can be out on the streets in ten years. There is a chance for another capital crime, and I must say that is really what turned me around in this issue. I know of two cases of killers who killed once, got out on either parole or week end leave and killed again.

Mr. Blais: How many have there been, Pat?

Mr. Nowlan: There have been several.

Mr. Blais: There have been two.

Mr. Nowlan: Two I know of. I said two.

Mr. Blais: That's all.

Mr. Nowlan: The hon. member for Nipissing (Mr. Blais) has asked a legitimate question. I can point out at least two situations I know about where there have been killings and chances to kill again because our administration of justice has swung so far in favour of the accused. In all sincerity I suggest to the hon. member for Nipissing that he cannot show me in the last two years or the last five years a mistake which has been carried out. We know that the last capital punishment was carried out in 1962. The hon. member cannot point to a fundamental mistake which has been made.

Each is entitled to his opinion, and my point is that the pendulum has swung so far in favour of the accused that he sometimes has had another chance to kill, and that weighs against the problem which bothers all Canadians about the chance of making a mistake. I think the adminis-

tration of justice is very strong in this country, and I do not have blinkers on my eyes when I say that. I know about some of the things which go on in the law courts; there is no doubt that you do have to have money from time to time to get a top criminal lawyer. However, regardless of all that, the administration of justice has really bent over backwards, and I think that is something which must be redressed. It is because of the killings which have been committed by those who have killed before that I have come back to the position where philosophically I believe that the potential of the ultimate penalty should be there for the perpetrator of the ultimate crime, with of course all the powers of commutation and royal prerogative of mercy.

● (2150)

The right hon. member for Prince Albert is concerned about this bill. He has always been concerned about the question, but he is concerned about this bill because of the lack of a clause about treason. He was the last prime minister to sign a final order, in 1962. I think if this bill were defeated and we go back to what is on the statute books now and the trial period that will last for another two or three years with the qualified retention for prison guards and policemen, that any prime minister, on a single killing, is going to take a long time to sign the final order.

Proponents of this bill cannot show me anything more convincing than that things are going to be better—the humanists will say it is to make life better because you do not have an organized killing, but I do not see it that way. In terms of crime, justice, the fears and aspirations of Canadians from coast to coast, the proponents of the bill cannot adduce any positive evidence or even positive logic that things are going to be better.

That is where we come back to the individual conscience. I suggest that the 70 per cent or 80 per cent of Canadians who have an individual conscience want that conscience represented. I am prepared to stand here with my conscience as I have done before. My conscience tells me now, for the reasons that I have tried to give, that the proof is not there that things are going to be better. It cannot be proven statistically. But there is the symbolism for Canadians that with the death penalty things may tighten up and some of the licence and licentiousness and lawlessness may not be on the streets of the land.

Thus I come back to the potential of the ultimate penalty for the ultimate crime. I should end right there, Mr. Speaker, and I think I will because it is a very individual thing. I hope we can come to grips with this in view of the motion made earlier today to extend the hours, which the President of the Privy Council (Mr. Sharp) has urged in order to try to get several bills through. I compliment him for getting us on extended hours to meet this question. Let the thing come; let us get it over with and let us leave it alone for some years so that we do not have to go through this agony and purgatory and soul-searching again.

Some hon. Members: Hear, hear!

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, this is the fourth time I have spoken on the subject of capital punishment and I am a comparative newcomer to parliament, having arrived in 1972. Like the hon. member for Annapolis Valley (Mr. Nowlan) I hope it is the last time I have to speak on capital punishment.

It was interesting to hear the comments of the hon. member for Nipissing (Mr. Blais) tonight when he asked how many people have committed murder a second time. In Winnipeg, the city that I represent, we have had people commit murders twice. Ten years ago a man took a young lady into a hotel room and murdered her. He was convicted, put away for a short period as they are these days, and came out after eight years. Then we went through the same thing again. He took another young girl to the very same hotel and murdered her. As well, I have read recent statements from California about 12 convicted murderers who were out on parole or because their short term had expired, and they murdered another 22 people. I hope we do not have to see a similar situation where we have a large number of murderers committing murder the second time before we get across to the Liberals that we should have the ultimate penalty.

The *Globe and Mail* of May 26 ran the following story:

> Donald Kelly, convicted of the 1969 murder of two North Bay residents, has quickened heart beats in Ontario again. Armed with what was thought to be a snub-nosed .38 calibre revolver, Kelly isolated himself in a cellblock in the North Bay jail on Monday night and held police at bay for nine tense hours. In the end, Kelly surrendered peacefully. His gun, fished from a toilet tank, was discovered to be only a toy pistol.

Just imagine if it had been a real gun. Kelly would have killed every guard in sight to get out of that jail. If you remember his escapade in North Bay last winter you will know it almost bankrupted the municipality paying for the police to track him down. All that was destroyed in the manhunt was a valuable dog. I should like to see the abolitionists go into the penitentiaries and guard this man Kelly, spend 15 years guarding him, or this man Lucas from Manitoba, the axe murderer. I have spoken to prison guards who look after Lucas and they say you cannot even turn your back on him for a second or you take your life in your hands. The abolitionists who want to protect these savages should go to the penitentiaries and guard them. In the case of Kelly it was a toy pistol.

The *Globe and Mail* argument continues:

> A toy pistol. We can hear the sighs of relief—a chuckle here and there—as Ontario's law-abiding citizens recover their cool. A toy: it wasn't very serious after all. The whole adventure no doubt will lend a certain lustre to the legend Kelly acquired last summer while spending 31 days eluding police in the bush land of Northern Ontario. And, after all, it was only a toy gun.
>
> Wrong. It was not only a toy gun; it was a gun, plain and simple.

If it had been a real gun Kelly would have killed. May I call it ten o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

Adjournment Debate

EXTERNAL AFFAIRS—ISRAEL—GOVERNMENT VIEW OF ACTION TO ESTABLISH COMMUNITIES IN OCCUPIED ARAB TERRITORY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, it is now some time since I asked the Secretary of State for External Affairs (Mr. MacEachen) about Canada's attitude to the Israeli plans for colonization or settlement of those lands taken by military action from sovereign Arab states. In the interval the importance and relevance of the question, and the intensity of the feeling resulting from reaction have grown significantly and perhaps frighteningly.

I do not know whether the Canadian government used its good offices with Tel Aviv as I suggested, to seek to dissuade them from such a clearly provocative course. In any case there can be no doubt that the events of recent months reveal that this action has added another explosive element to an already over-heated crisis area.

I have never in all my years of interest in Middle East affairs suggested that there is anything unilateral or exclusive when it comes to assessing blame or responsibility. Neither side is without sin. Unfortunately in this country there is too often a tendency to be very one-sided when it comes to assessing the credits and debits. Too often there is an almost conditioned reflex to assume that the Arab side must be the chief culprit or the only transgressor.

This partiality, this selectivity, is not suitable in a country which is seeking to be open-handed and objective in its dealings with the Middle East. I note the solicitude of the Minister of Justice (Mr. Basford) at Habitat lest Canada be seen to support any declaration which might offend the Israeli delegation. I believe that such councils of moderation are and would be more effective if given out in a balanced and impartial way. I believe that friends of the Arab world should point out that extremism of language is often less helpful than a strongly stated argument based on reason, logic, and historic facts.

● (2200)

I can recall occasions when my counsels of moderation have not made me overly popular with my Arab friends. On the other hand it is unhelpful, or worse, to condone or be silent about Israeli actions which threaten peace or violate the basic human rights of others.

A Reuter article of May 22, 1972, a year after the date of my question, is captioned "Arabs break curfew, Israelis break legs." The article went on to say that three young Arabs had their legs broken by Israeli security forces in Ramallah in the occupied West Bank. Mayor Karin Kholof said the forces entered several houses and beat up about 30 people, including women. Doors that were not opened by the residents of the houses were broken down. This is the harvest of the seeds sown by Israel when it determined to set up communities of Israeli people in those lands it seized by conquest from other states. The plan is to spread Israeli citizens into the far reaches of the occupied territory. How could such an act be regarded with anything but hostility by the residents of those areas and the rulers of the sovereign Arab states which claim jurisdiction over the land which had been taken from them?

A few weeks ago I was in Quneitra in the Golan area of Syria and saw the rubble of that city, totally levelled by the Israeli forces. A very short distance away I saw something else: on the Syrian side of the Golan Heights the intensive cultivation of the slopes by Israeli authorities. I thought at the time how often the world was told that Israel was interested in the Golan Heights only because it wanted secure borders.

It is not surprising that Ambassador Scranton speaking for the United States in a recent security council debate deplored the colonization move by the Israeli government and warned of the dangers such a move might bring.

A most brilliant scholar and statesman, Abba Eban, who was foreign minister when I visited Israel, has warned that extending Israel's grip on occupied territories would reduce the government's options in future negotiations with the Arabs.

In a very thoughtful editorial designated "Time to Leave", the Ottawa *Journal* declared on May 29:

> Darkness descends again on the Middle East, and not only in Lebanon. In the Jordan River West Bank, occupied by Israel since the 1967 war, events are eroding what few hopes existed for an Arab-Israeli peace . . .
>
> Hence a grim impasse. After nine years of passivity under Israeli rule the West Bank Palestinians have come to life; expressing their resentment by ballots, demonstrations and strikes. The Israelis can certainly maintain their rule now by armed force. But for how long? They must weigh carefully the effect on American public opinion of gunfire to suppress West Bank aspirations to independence. Israel will lose friends as this sad situation continues to erupt.
>
> It will also inflame the Arab world, making hope of peace impossible. Then it will be only a matter of time until the Middle East explodes again. Soon, somehow, Israel should get out of the West Bank.

I noted the remarks of the parliamentary secretary in response to today's question by my colleague from Okanagan-Kootenay. I do not pretend to any exceptional or inside knowledge of the Lebanese situation. I believe that the hon. lady and I, and the vast majority of our colleagues, I am sure, share a profound sense of tragedy and depression about events in the beautiful country of Lebanon and the once bright and prosperous city of Beirut. A young constituent told me a few days ago that he could not understand Lebanon. He went on to say that he could not understand Ireland, either. I believe this to be a realistic reaction to a profoundly painful and distressing situation which seems to lead to a sad but a few hopeful reactions or portents.

I am not sure that the recent Syrian move is totally to be deplored. I do not like the prospect of any other nation exercising sovereignty over Lebanon, one of my favourite countries and one of the world's splendid democracies in its heyday. Certainly I do not appreciate any diminution of the rights or prospects of the Palestinians who are the chief victims of the whole Arab-Israeli confrontation and of the bad faith of the great powers of earlier generations. But events of the past few weeks make it far from impossible to accept the view that Syria has exercised a moderating influence in the area and that its failure to use its power and position may have prolonged a situation which could have led to conditions and situations more painful and tragic than those of today and the sad months preceding today.

[*Translation*]

Miss Monique Bégin (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, it is always difficult to speak immediately after the hon.

member from Prince Edward Island. His speeches always reach climaxes that move me to the point I sometimes lose the thread of his remarks. In answer, I shall attempt to limit myself strictly to the issue of the territories occupied by Israel, which I am sure the hon. member will not resent. I shall not therefore deal in any way with the matter of Syria, Lebanon or every complex problem that may or should be connected with the Middle East problem.

[*English*]

The position of the Canadian government with respect to settlement of the occupied territories by Israel is inherent in our full support for United Nations Security Council Resolution 242 of November 22, 1967. This resolution calls *inter alia* for withdrawal of Israeli armed forces from territories occupied in the 1967 War. Canada therefore does not condone any step which unilaterally attempts to alter the status of the occupied territories. Canada's full support for Resolution 242, including Israeli withdrawal from occupied territories, has been made clear to the Israeli authorities on numerous occasions, most notably during the visit of the Secretary of State for External Affairs (Mr. MacEachen) to Israel in January. At that time the Secretary of State for External Affairs discussed frankly with the Israeli authorities the question of the establishment by Israel of settlements in the occupied territories.

AIR CANADA—ALLEGED INTENTION TO MOVE FINANCE BRANCH FROM WINNIPEG—GOVERNMENT ACTION

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, on April 13 of this year I put a question to the Minister of Transport (Mr. Lang) with regard to Air Canada's finance branch in Winnipeg. I said we had a great fear that the corporation is now plotting to phase out the finance branch there and move it into Quebec. The minister assured me at that time that Air Canada had no intention of phasing out the finance branch in Winnipeg. Mr. Speaker, I can assure the House that they are gradually phasing it out, that this work is being distributed all across Canada. The employees are sitting there in the finance branch doing nothing, or very little. There is no reason at all for this phasing out of the finance branch.

Today, I raised the question of the huge debt Air Canada is facing this year. At the end of April the net loss amounted to $14,474,000.29. I also drew attention today, by way of a motion which was turned down by the Liberals, to the need for a complete investigation of the Air Canada finance branch.

I have suggested a number of times that the government despatch the Auditor General to Winnipeg to find out what is going on and to establish proper accounting procedures. This should be done immediately. I can give an example of one case where Air Canada wrote off a debt of $186,000. This involved a firm called Electronics Associates of Canada. This Toronto firm ran up a bill amounting to $186,000 and Air Canada wiped it off.

Mr. Paproski: Shame!

Mr. McKenzie: Hon. members can see that we need to send somebody in there to find out what is going on, not this ridiculous phasing out of the branch and the spreading of its work across Canada.

Last week the hon. member for Central Nova (Mr. MacKay) and myself raised the question of longstanding improper billing practices by Canadian travel agents. I pointed out that no controls are enforced any longer on the reporting of ticket sales by these agents, and as of October, 1975, Air Canada had in excess of $96,000 unreported travel agent ticket sales representing a minimum of $2,208,000 unpaid for transportation. The minister assured us he would be glad to see what stage the work had reached.

● (2210)

I should also like to ask the parliamentary secretary tonight whether the minister would make inquiries at the same time and request that Air Canada give a full report as to why the bankrupt firm of Electronic Associates Canada Limited of Toronto was allowed to run up a bill of $186,000 for air travel before they were cut off, why Air Canada allowed the bill to reach this amount, and why the whole account has been written off.

In addition, Mr. Speaker, this particular firm had in their hands 75 credit cards. I do not even know whether the 75 credit cards have all been picked up and taken away from these people. According to the latest information I have, this account could reach a debit of a quarter of a million dollars. This is why I am calling for the third time for the Auditor General to be dispatched to do an immediate audit in the Air Canada finance branch, instead of our listening to silly statements from the Prime Minister (Mr. Trudeau) and the Minister of Transport (Mr. Lang) saying that we should not be running a Crown corporation from the floor of the House of Commons. If Air Canada were being run properly we would not have to bring this subject up on the floor of the House of Commons.

To add insult to injury, Air Canada states that they are going to ask for a fare increase. I have already written to Mr. Benson, head of the CTC, and requested that he allow no fare increase. If there are any hearings held in regard to an Air Canada fare increase, I can assure the House that I shall be there fighting to stop any such increase.

Air Canada is also breaking IATA rules and regulations. They have issued bar vouchers for Tours Mount Royal, of Quebec, to the tune of $27,384. All that Air Canada collected from this travel agent was $9,445; they wrote off $17,938. Under IATA rules and regulations this is illegal. This is another matter the Auditor General should look at.

I have before me a letter from Harveys of Bristol (Overseas) Limited of London, England, complaining to Air Canada that they are persisting in paying the incorrect amount. In this particular case Air Canada has always overpaid the amount. They also give another list of accounts that are not even being paid. This has been going on for months and months. I mentioned in the House about a couple of months ago that Air Canada are going to have their fuel and gas cut off at their offices at the Heathrow airport if they do not get their accounting system straightened out.

This is what it is costing us to contract this work out from the Air Canada finance branch while its employees are sitting in the branch doing nothing. I have before me one account from Accountemps of Vancouver, B.C., dated May 5, for $7,873 for contracting work out. They are paying the employees of this company $6 an hour to do this kind

of work while they are paying Air Canada employees between $2 and $4. I ask the minister to explain that to me.

I have another account submitted for contracting work out dated May 7 in the amount of $5,937. What is going on? Here is another one, May 18, from Accountemps in Vancouver for $8,382. This is for work contracted out while Air Canada's employees in Winnipeg are sitting in the office doing nothing.

I have another one dated May 7 for $5,268, Accountemps in Vancouver. Air Canada is also contracting work out in Montreal and Toronto. I have another one from Accountemps in Vancouver for $4,989. I only have part of this. I have another one dated May 28 for $5,547. Again Air Canada is contracting work out while its employees sit and do nothing. And they are going to ask for a fare increase, Mr. Speaker. Over my dead body will they get a fare increase. I have another one for $3,429 dated May 29, 1976.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member but the time allotted to him has now expired.

Mr. Arthur Portelance (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, Air Canada has no intention, plan or proposal to move the airline's finance branch out of Winnipeg. On the contrary, it has emphatically insisted on a number of occasions that the finance branch would remain in Winnipeg. There is no question on the part of Air Canada management that this important financial section, which includes the accounting and related offices, would be moved from that city. Charges that Air Canada is considering moving this facility from Winnipeg are both inaccurate and unfounded.

The airline's current negotiations with members of the Canadian Airlines Employees Association regarding clerical workers in Winnipeg are proceeding and Air Canada remains hopeful of a settlement.

I can only repeat the assurance which the Minister of Transport (Mr. Lang) gave to the hon. member for Winnipeg South Centre (Mr. McKenzie) on April 13, 1976. At that time the minister stated clearly that Air Canada had no intention of phasing out the finance branch in Winnipeg. As far as the other part of the hon. member's question is concerned, I am sure the minister will be glad to look into it.

MANPOWER—LOCAL INITIATIVES PROGRAM—REQUEST FOR DECISION ON EXTENSION OF PROJECTS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I want to debate my question to the Minister of Manpower and Immigration (Mr. Andras) in the House today, and one usually has to wait a couple of months, not with the idea of criticizing but merely in order to try to substantiate what I feel is a reasonable request that is, to establish a basic consideration for providing some form of flexibility in the determination of achieving the benefits of last year's Local Initiatives Program.

While I am sure the problem is national in scope, it arises in respect of some projects under last year's program which could not be completed within the required deadline

of June 26. The reason is that several programs started late due to weather conditions.

In the particular case to which I refer there were three projects that had to start late, not only because of weather conditions but, more important, due to the fact that they were approved as a result of my district being provided additional funds after the original projects were approved, for which I happen to be very thankful to the minister.

There is no question of the need for additional funding, but only the need for an extension of the time to complete the projects, which is justifiable for the reasons I have mentioned that is, weather conditions, and the late start on the projects for the other justifiable reasons I also mentioned.

What is difficult for me to understand is the source of the reason for hesitation and why the minister could not give me an assurance today that the projects could be extended, particularly when he indicated his promise or his commitment not only to provide new job creation programs as a result of the predicted savings by extending the qualifying work period for unemployment insurance benefits from eight to 12 weeks, but also his commitment to augment the regular manpower budget by $40 million in institutional and industrial training, an extra $2 million for expanding the mobility budget, and an enrichment of job funding and placement services involving an additional 150 staff in Manpower centres.

Finally, there is the $100 million job creation program which, indeed, is a repeat of the $135 million LIP announced last year but which was cut back by $35 million under the restraint program. Taking this into consideration it is impossible for me to understand why the minister, without hesitation, cannot extend the projects under last year's LIP program, because the funds are already allocated, the personnel are on the job, and if the extension is not approved this would put employees back on the unemployment insurance rolls, without even mentioning the unnecessary workload that would ensue.

Further, the situation is hypocritical when the remaining funds would have to be returned to the Treasury Board, with no advantage to anyone, to say nothing of the loss of jobs and the additional costs that would be created.

I might say that I know where the dilemma lies that the minister is facing, and that is with the Treasury Board. I am sure the Treasury Board is demanding that Manpower live within the terms of reference laid down under the criteria of the Manpower LIP as advanced by the minister, and so I cannot blame the Minister of Manpower and Immigration. I express concern about the lack of common sense on the part of Treasury Board which has no consideration for the facts of life as they exist, and takes such a ridiculous attitude towards realism.

● (2220)

I can only ask the minister to take a look at the problem more realistically and demand that Treasury Board show more humaneness and common sense in respect of the approval of extensions of time for these LIP projects which cannot be completed in the required time through no fault of the sponsors of the project; and at the same time fulfil the objectives of the LIP program to provide the opportunity for initiative and to provide jobs in the areas

of high unemployment, the evident criteria for which are completely ignored by the government.

[*Translation*]

Mr. Arthur Portelance (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, in response to the hon. member's remarks, may I repeat that the LIP is a job creation program aimed at reducing the number of unemployed during peak unemployment seasons. The seasonal nature of the program is clearly indicated in each contract agreed to by the sponsor of the project and the department, and the termination date is specified. Projects are planned on the basis of deadlines, and the workers must therefore accept the temporary nature of the jobs and look ahead to the completion of the project.

As the minister already stated in the House a number of times, extra funds will not be allocated to extension of the 1975-76 LIP. By the very nature of the program, any extension is impossible. I would also add there has been no extension over the last three years.

However, if certain projects are not completed before June 26, for reasons beyond the control of the sponsors, the circumstances and the reasons of the delay will be closely scrutinized. In cases where projects do not require extra funds, the situation will be reviewed and the decision taken according to the merits in each case.

[*English*]

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until 11 a.m. tomorrow, pursuant to order made earlier this day.

Motion agreed to and the House adjourned at 10.24 p.m.

END OF VOL XIII